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REVIEW

OF THE

TRADE OF INDIA

IN

1939-40

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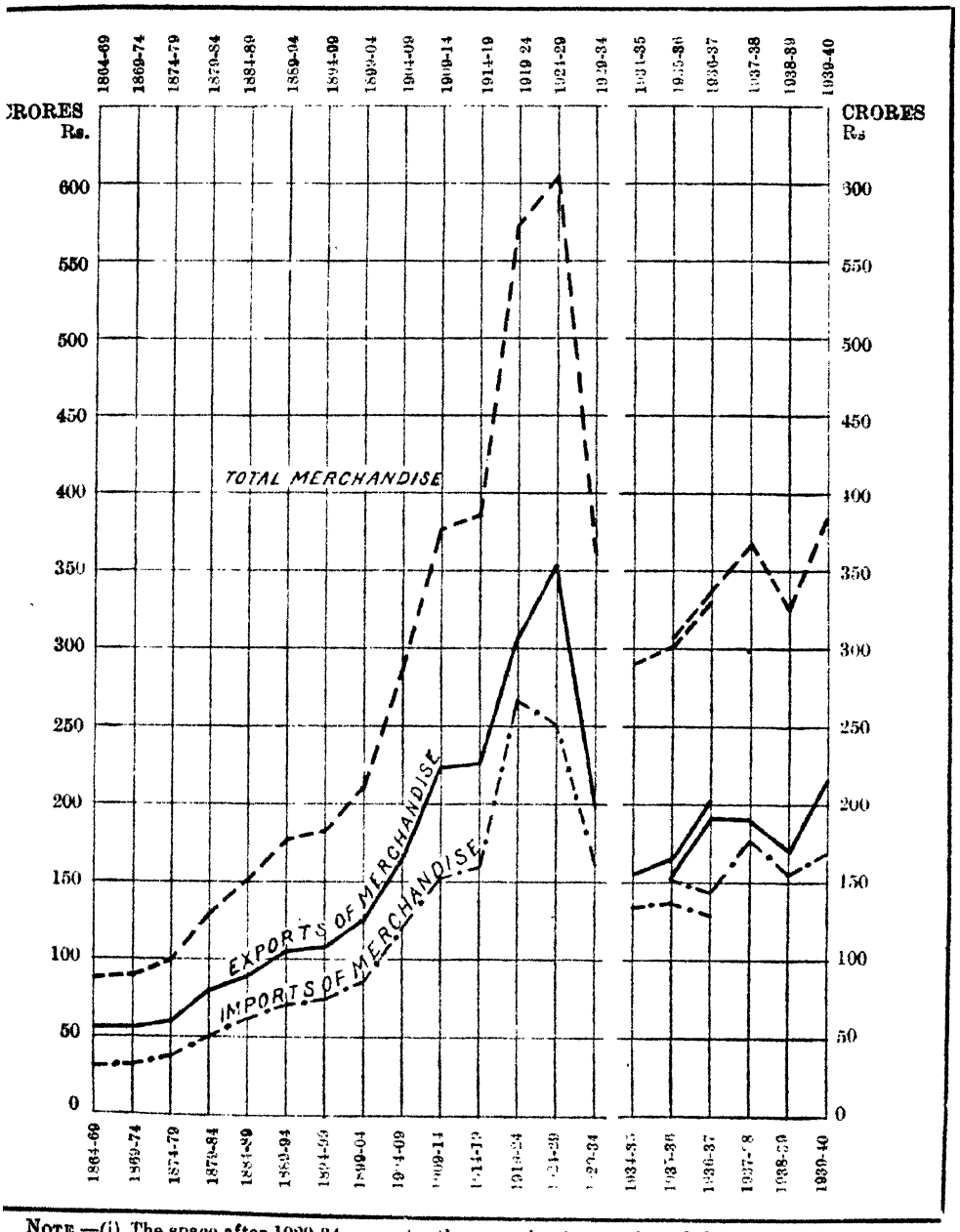
Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual trade for the last six years.

(Private and Government.)



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The *three* points starting from 1934-35 represent unadjusted figures which include Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

CHART B

Balance of Trade in Merchandise and Transactions in Treasure Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual balance for the last six years.

(Private and Government.)

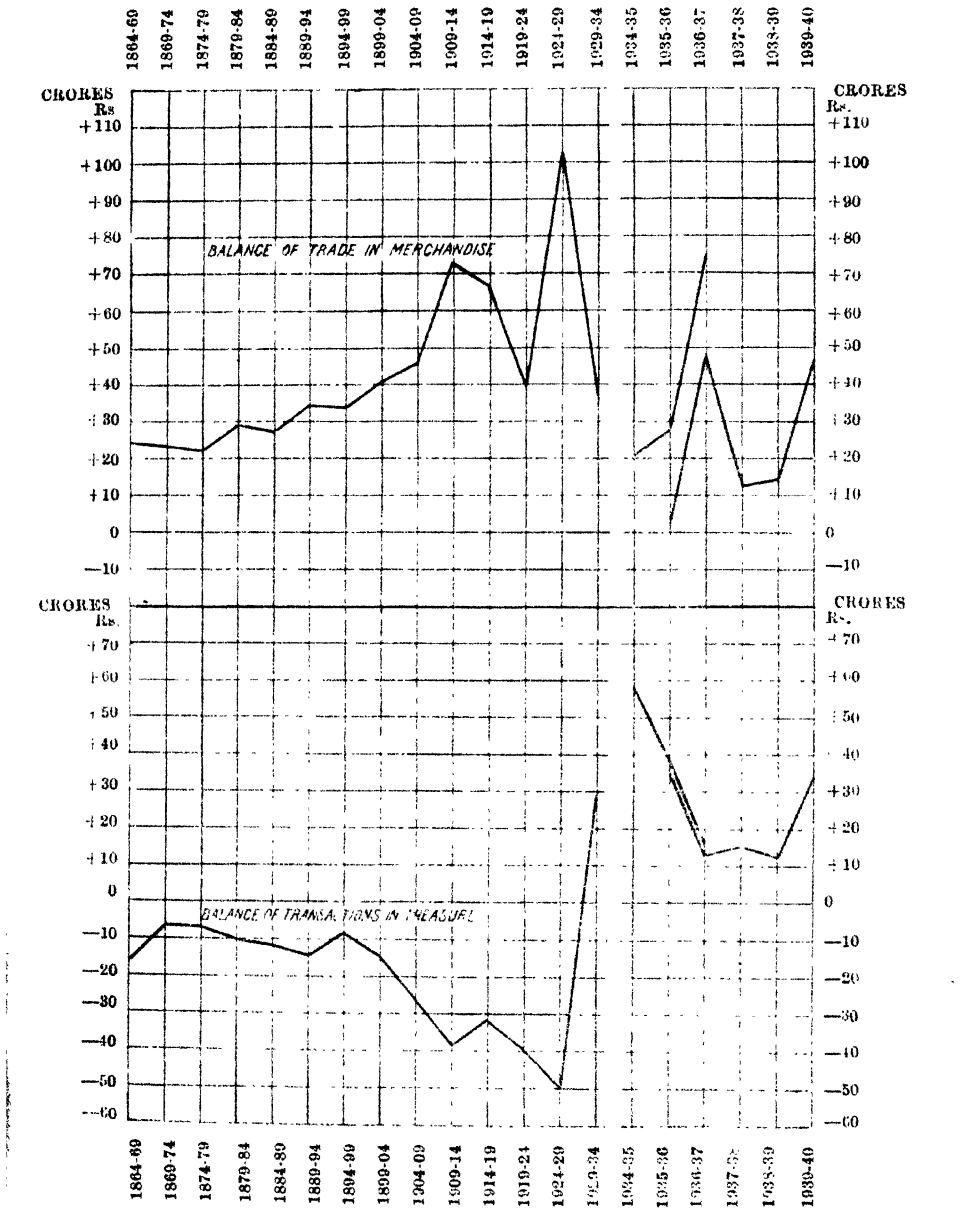


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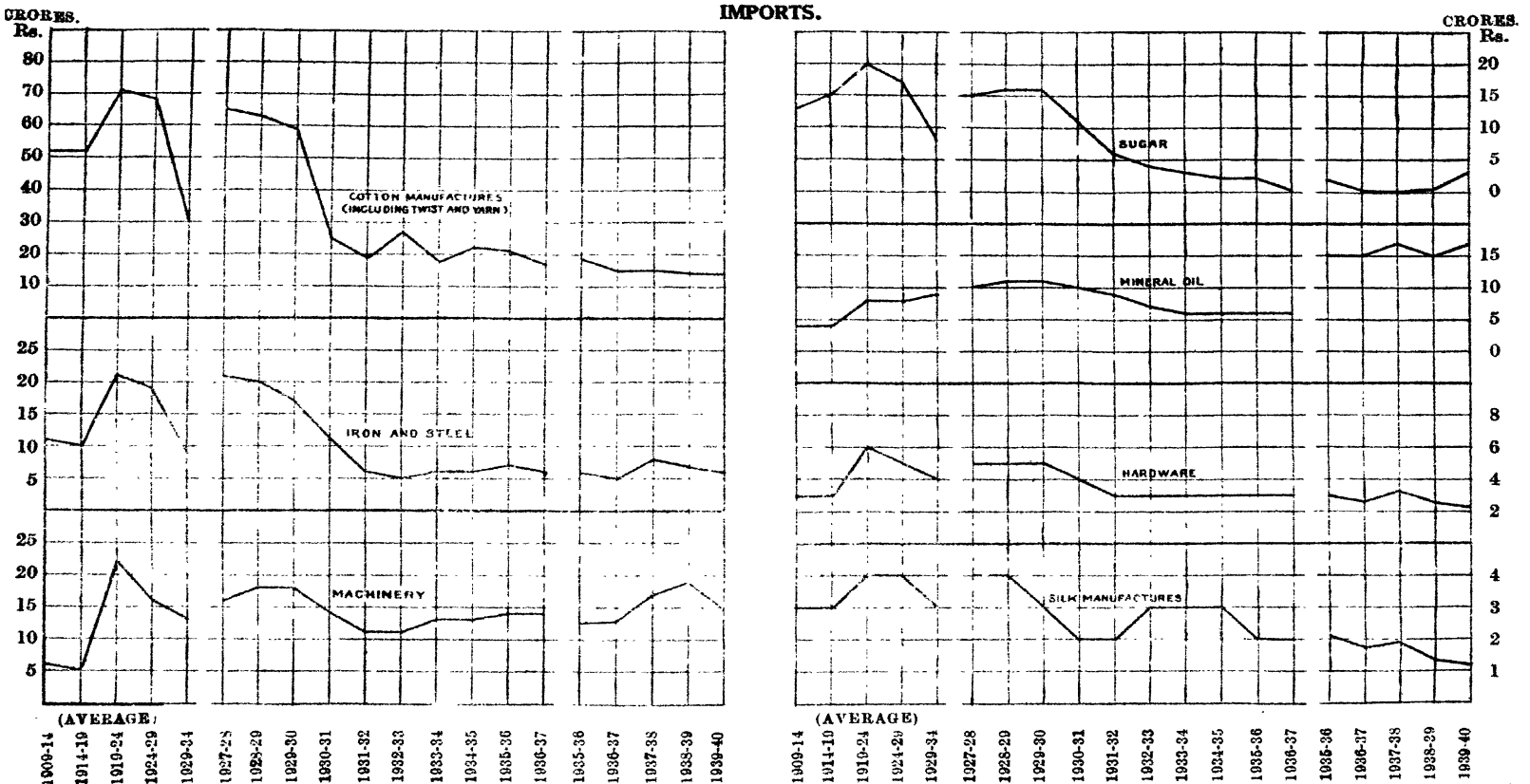
CHART C

Variations in the values of principal articles in the import trade of British India during the five quinquennia ending 1929-34 and the last thirteen years.



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.
(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.
(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

CHART D

Variations in the values of principal articles in the export trade of British India during the five quinquennia ending 1929-34 and the last thirteen years :

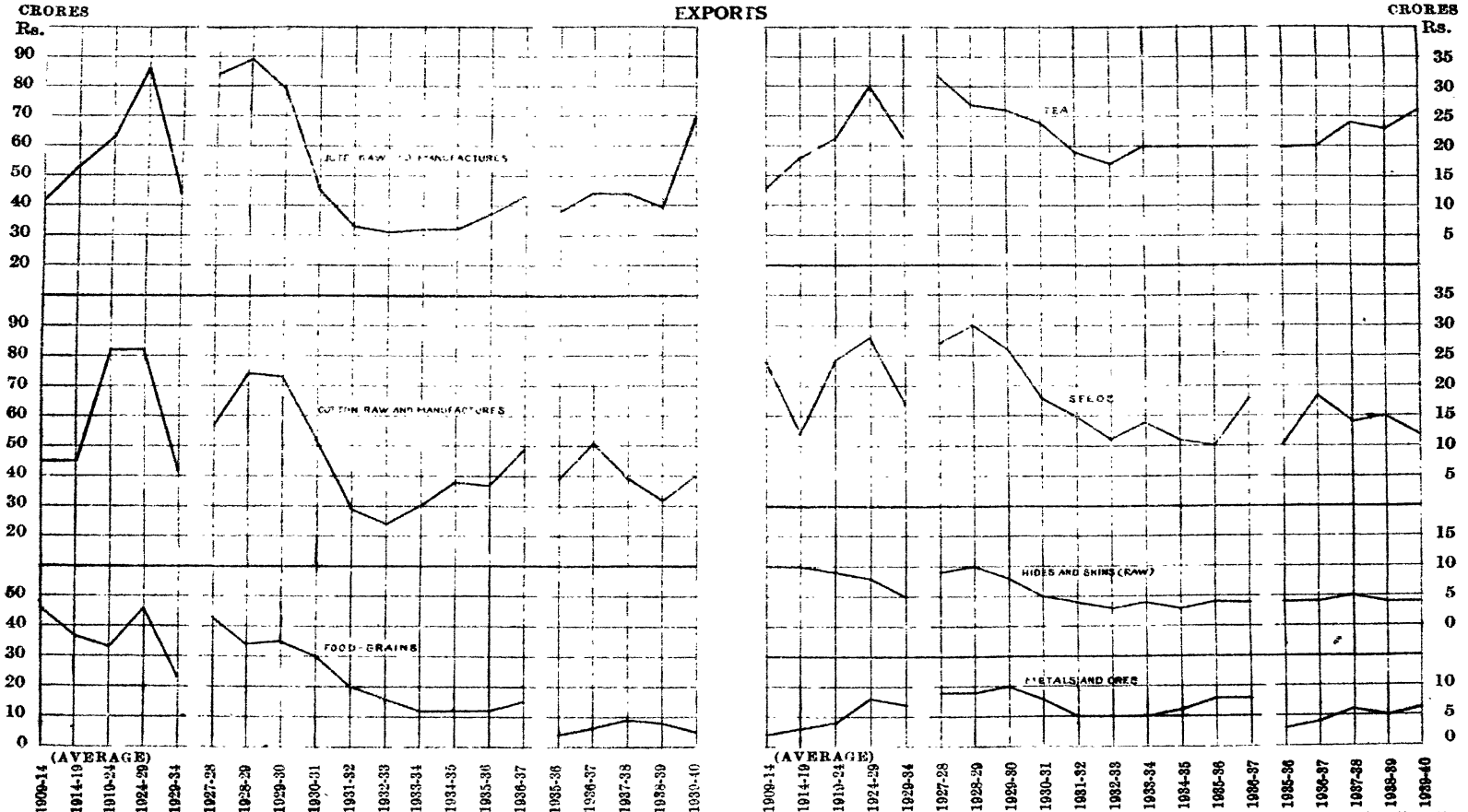


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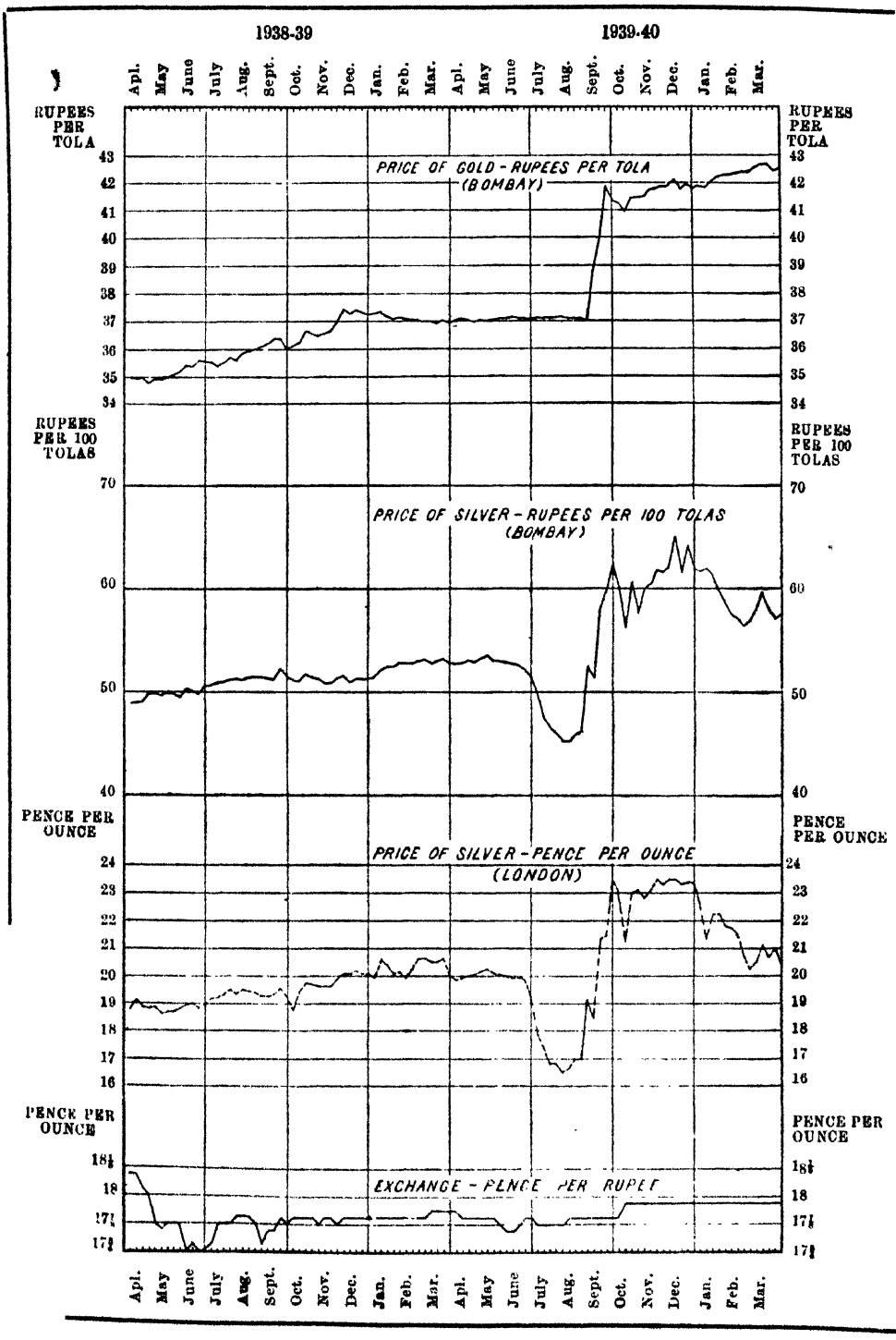
CHART E

Price per tola of English bar gold in Bombay, price of silver in London per standard ounce, price of silver in Bombay rupees per 100 tolas and the telegraphic transfer rate in Calcutta on London at the end of each week during the years 1938-39 and 1939-40.



NOTE.

Consequent upon the separation of Burma the foreign trade statistics of British India for 1937-38, 1938-39 and 1939-40 include the trade of British India with Burma but exclude the trade of Burma with foreign countries other than British India. Direct comparison with the figures recorded for the year prior to 1937-38 is therefore vitiated. With a view to remedying this defect attempts have been made to adjust the figures for the year 1936-37 so as to afford a comparison with those for 1937-38, 1938-39 and 1939-40 and the results are embodied in this Review. It should be distinctly understood that these adjustments have been carried out in so far as the available data permit and the figures for the year 1936-37, thus revised, are necessarily approximate, but sufficiently accurate to provide a basis for analysing the trade in essential details.

REVIEW OF THE TRADE OF INDIA IN 1939-40.

PART I—REPORT.

CHAPTER I.

General.

The rapid sequence of events in the political sphere during the last seven months of 1939-40 has thrown the earlier history completely into the background and it seems as if a new chapter was opened in the history of mankind on the 1st September 1939 when Germany invaded Poland. The war has released forces which still remain to be controlled and which so far have engulfed the careers of several nations in their mighty sweep. The task of chronicling the events of this period may be easy, but the task of interpreting them is one of exceptional difficulty. At a time when so much is in the melting pot, almost anything that could be said about the significance of the past or current events is subject to the vital reservation of what might happen in the future. The natural human instinct of analysing the past with a view to the future is thus restrained at every stage by the unknown and incalculable elements in the situation.

It may be useful to begin, as in the last year's Review, with a survey of the world situation. The recession which started in the autumn of 1937 had spent itself by the end of 1938 and in the early part of 1939, business activity in many countries was in a moderately rising phase. As pointed out in the last year's Review, the increase in armament activity was the principal factor which influenced business conditions during this period though there were also other factors in the situation. In Great Britain the Economist index of business activity (1935=100) which had fallen to 101 in December 1938 rose to 112½ in June 1939. The volume of employment in that country in the summer of 1939 was actually higher than at the peak of the boom in 1937, which showed that industrial production was running at a very satisfactory level during this period. In France, industrial production was making rapid headway as a result of the three-year national recovery programme initiated last year and the index number (1929=100) rose from 82 to 92 in the first half of 1939. This was the highest level attained in the last eight years. During this period Germany was mobilising her economic resources at a frantic speed, her problem of labour and foreign exchange being partially solved after the annexation of Czecho-Slovakia in March 1939. In the United States also, a moderate expansion of economic activity was noticeable in the pre-war months of 1939, but both the causes of expansion and its nature were different in that country. The trend of industrial production in the United States, unlike that in Great Britain, France or Germany was distinctly downward in the early months of 1939, the index number (1929=100) falling from 87 in December 1938 to 77 in May 1939--a fall which was shared by both consumption and investment goods except engineering the index for which rose significantly from 94 to 141 during that period. In America the motive force for economic activity during the pre-war months was not

provided by rearmament but by the expansion of private construction activity and the slight improvement in consumption due to the easing of prices. In Japan, industrial production showed wide fluctuations in the pre-war months, thus reflecting the strain which the country was undergoing on account of the " Chinese incident ".

This general picture of industrial recovery in the first half of 1939 must not be construed as a logical precursor of the vigorous movement towards expansion which was seen in all countries after the outbreak of war. In the first place, the earlier recovery was considerably restrained by the threat of war which prevented any marked improvement in the price situation and which led to a deterioration of the values of industrial shares. Secondly, the forces which the war brought into being were of a radically different character. Economic conditions in many countries after the outbreak of war were largely shaped by the measures taken by Governments to mobilise national resources for purposes of war or defence, by the disorganisation of international trade and shipping which created severe shortages of certain commodities and surpluses of others, and the general dislocation of the financial system of the world. The entire economic life in countries which were engaged in war was being reshaped by these influences to such an extent that one might as well treat the first eight months of 1939 as belonging to a separate chapter in their economic history from the story which followed the actual outbreak of war.

CHART I.

[Base : 1929=100.]

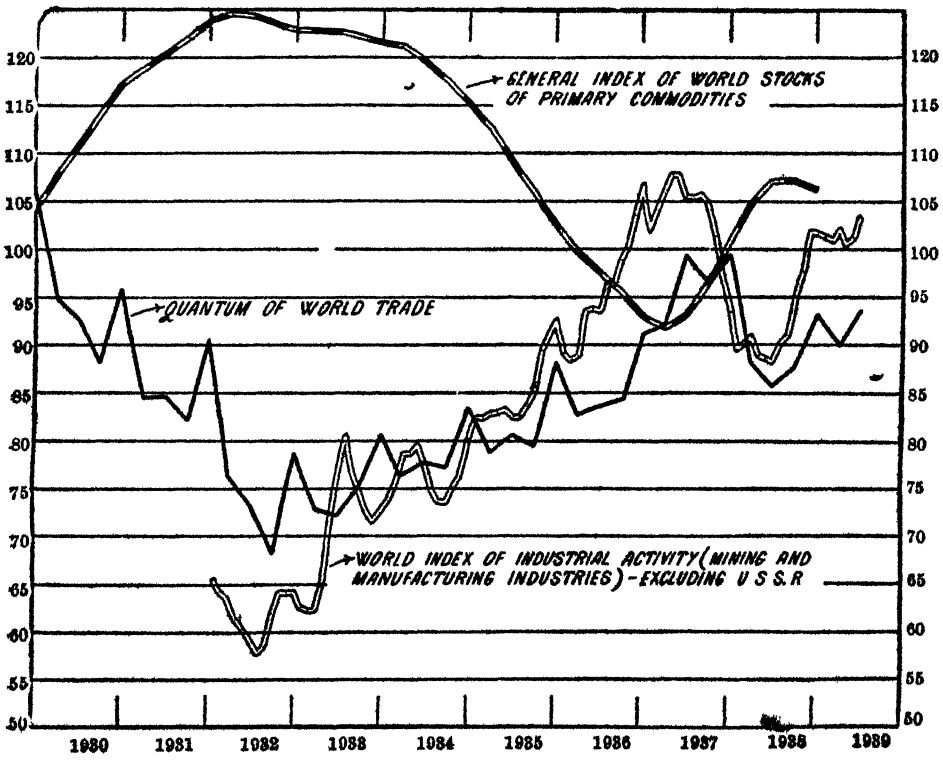
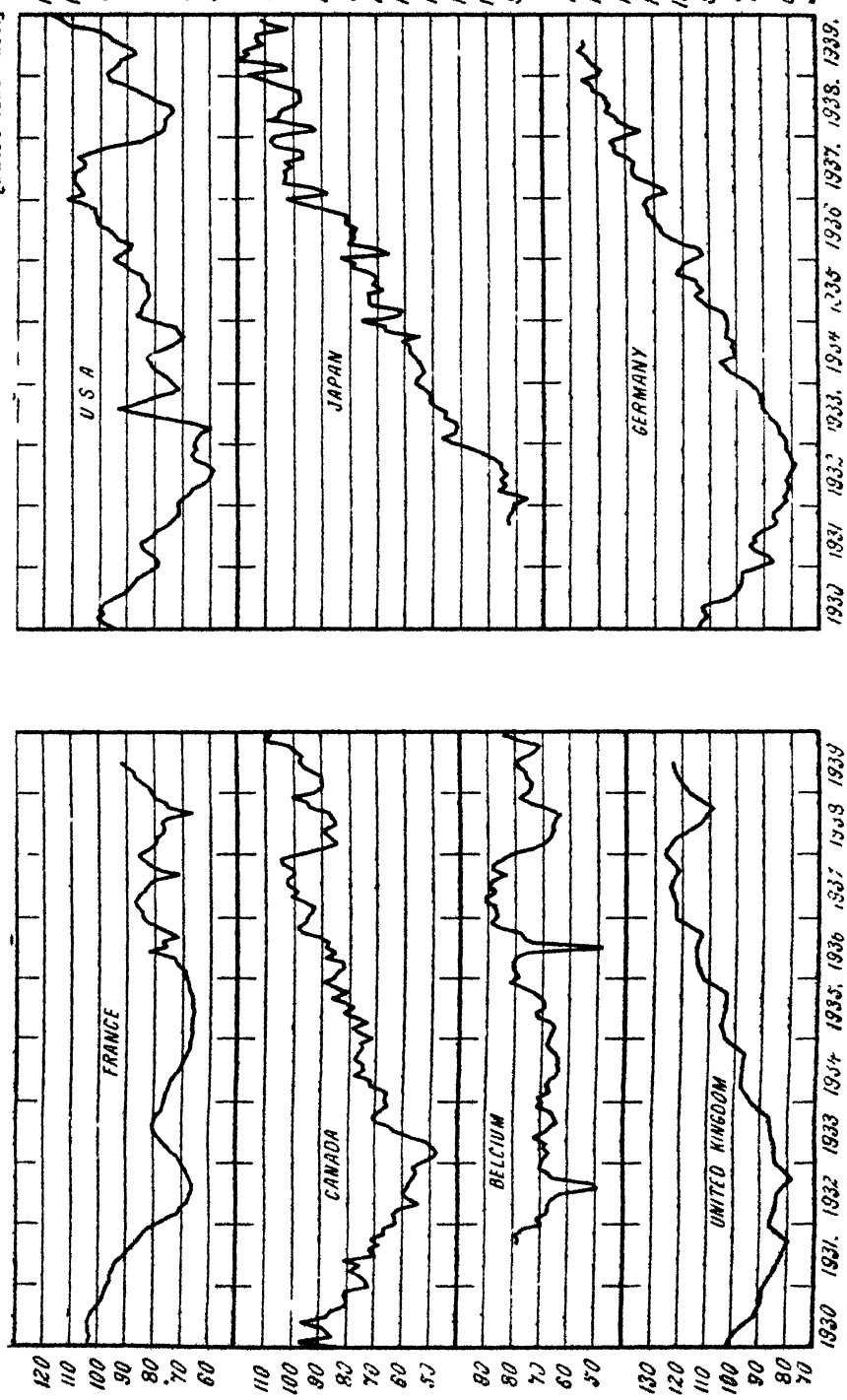


CHART II.

General Indices of Industrial Production.

[Base: 1929=100.]



General.

The problem of war economy which the Western nations are grappling with is of a diverse character and it is futile to seek to express it in a few words. Generally speaking, however, this ordering of the nation's life for purposes of war had to proceed along two lines. In the first place, the State had to direct its energies towards securing the diversion of a sufficient amount of productive resources from their normal channels to those in which they were to be used for purposes essential for the prosecution of the war. Secondly, the State had to induce the maximum effort at saving on the part of the individual so that, on the one hand, the needs of private consumption might be kept within what was currently available to satisfy those needs and, on the other hand, the money thus released from private consumption might be made available to the State either for providing for the consumption of the fighting forces or for the production of non-consumable goods required for the war, without resorting to inflation. In a capitalistic economy, the transference of productive resources from one line of production to another is normally secured through the ordinary mechanism of prices and profits, while the diversion of individual income from consumption to saving is induced by the manipulation of interest rates as also by a rise in the prices of consumption goods. In a war economy of the kind which has now come into existence, both these methods could be used only to a limited extent. The principles of *laissez faire* had perforce to give way before the imperative necessity of winning the war. Whatever the need for stimulating an increased effort on the part of the entrepreneurs, the State could not permit a rise in prices beyond a certain extent, nor could it allow an undue growth of private profits at a time of national emergency. Control of prices and profits was, therefore, a necessary part of war policy, but if this was to be consistent with the satisfaction of war needs a direct interference with trade and industry was inevitable. The institution of the various controls in Great Britain shortly after the outbreak of war for the production and purchase of war materials and for controlling the prices of food-stuffs and raw materials was prompted by this obvious necessity. A large part of British trade and industry has been working under Government direction since the outbreak of war. The recent passing of the Emergency Powers Act in Great Britain which gives the Government complete control over private person and property is a further illustration of the inadequacy of *laissez faire* in times of stress. Apart from this aspect of control and interference, the State had also to assume an increased responsibility for securing an adequate supply of the necessary raw materials for its national industry. In a war in which blockade has played as important a part as any other weapon of warfare, the importance of this aspect of the problem cannot be over-estimated. This sudden change-over of industry from a peace-time to a war-time basis was, however, not achieved without some amount of friction. In fact, the outbreak of war resulted in a drop in business activity in Great Britain by at least five per cent. The speeding up of military preparations in the first few months of war was not sufficient to absorb all the resources freed from the various sectors of industry which were affected by the severe reduction in new capital investment for civil purposes and the fall in the volume of exports. The psychological effects of black-out and evacuation also added to the difficulties of the transition. These difficulties were gradually overcome as the production in engineering and munitions industries got into

its stride. The export trade also showed some improvement towards the end of the year, while the textile trades enjoyed a remarkable recovery. The measures taken in France for the setting up of a war economy resembled those taken in Britain. Control of trade, industry, prices and exchanges and a determination to resist inflation were the main features of the French economic policy. To aid this policy, a monetary, financial and economic agreement was concluded between France and Great Britain. The Nazi economy was already on a war basis long before hostilities broke out, and yet the mobilisation of millions of men and the economic blockade imposed by the Allies caused considerable disorganisation. By the middle of November, the Nazis had to take further steps to re-organise their war effort. The collectivist system was established over a wide range of industry, and production was speeded up under the direction of a newly constituted Supreme Economic Council.

The other problem of a war economy, namely, restriction of private consumption, had also to be tackled along new lines. Rationing was of course an obvious method of keeping down consumption, but a general check on private consumption was provided by increased taxation and a vigorous campaign for saving. In Great Britain, taxation was carried to a record level and Government expenditure financed by both taxation and borrowing accounted for £2,667 million (the figure budgeted for 1940-41 in April 1940) out of a maximum national income of £5,000 million (maximum under conditions of full employment), thus leaving less than half the current national income for civilian consumption. The extent to which the individual's standard of living had to be adjusted and the capital resources of the country whittled away, to suit the needs of national defence under these circumstances could be easily imagined. It is easy to see that a check on private consumption serves a double purpose: to the extent to which it curtails private expenditure, it reduces competition between Government and private demand and thus checks the rise in prices, and to the extent to which it makes possible a flow of voluntary savings, it enables both the Government and industry to borrow at comparatively low rates of interest. This new technique of financing the war, thus, constitutes an immense advance over the traditional method of meeting war expenditure. So far as Great Britain was concerned, the success of the new technique was seen in the fact that, though the increased economic activity no doubt resulted in a substantial rise in prices, there was nothing like a runaway movement of prices and wages and that the rates of interest also did not rise very much above their peace-time level. The British Government floated its first Defence Loan in March 1940 at 3 per cent. and was able to convert its 4½ per cent. Loan, 1940-44 into another short term loan at 2 per cent. In Germany, restriction of private consumption was carried *à outrance*. Rationing was introduced long before the outbreak of war, after which rations were further reduced. Price equalisation funds were set up in which up to 90 per cent. of all profits in excess of standard profits were required to be paid. In addition forced loans in various forms were levied.

In its external aspect, the economic policy of the belligerent countries was influenced by a variety of considerations. The necessity of preventing

goods from reaching the enemy and of conserving the supplies of essential commodities naturally led to restrictions being imposed on the export trade in all belligerent countries. Restrictions were also imposed on imports of non-essential articles and private remittances of funds with a view to conserving foreign exchange resources for the purchase of war materials. In the midst of this net-work of restrictions the operation of the ordinary laws of demand and supply was interrupted over a wide area of commercial transactions. Owing to the dislocation of shipping and general disorganisation of the international credit system, the normal price-relationship between different markets was disturbed and prices of certain staple commodities could move independently in different markets for a considerable length of time without bringing the corrective forces into operation. In the monetary sphere, the introduction of exchange control was an important factor which influenced international prices. In Great Britain, the Sterling-Dollar rate remained pegged at $ 4·68¼ for nearly eight months before the outbreak of war. On the 25th August 1939 the peg was withdrawn, but from the 7th September, the authorities resumed control and fixed the rate at $ 4·02-$ 4·06. Later, the spread was narrowed to $ 4·02-$ 4·04 and later still, to $ 4·02½-$ 4·03½. The exchange control had left free such sterling assets as were owned by foreign non-residents and had placed at the same time definite obstructions to the conversion of these assets into foreign currencies except for certain approved purposes. This naturally led to the development of free markets in sterling, the most important of which was in New York. The British monetary authorities had, therefore, to tighten their restrictive measures to make the official rate effective and as a result of these measures, the volume of transactions in the free market was gradually reduced to negligible proportions. In order to acquire a sufficient supply of foreign exchange, the authorities had also to requisition foreign securities held by nationals and sell them abroad.

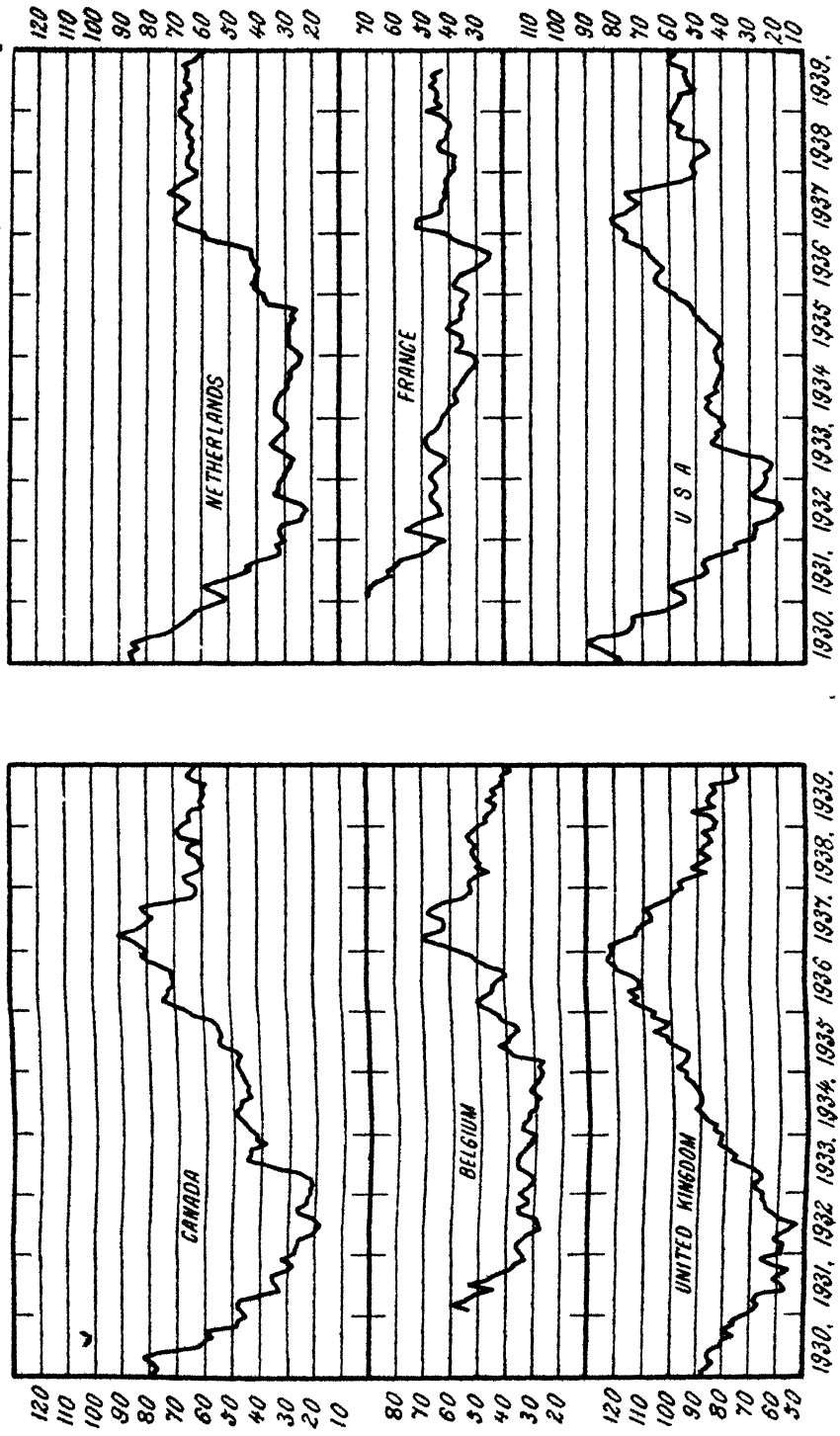
The course of events in the United States could hardly remain unaffected by these developments. From June 1939 onwards industrial production in that country assumed a sharp upward trend and by December 1939, it was probably running at a record level. The index of industrial production which, as said above, had shown a downward tendency in the preceding six months, rose from 85 in July to 108 in December. The expanded volume of production was largely based on forward buying for inventory purposes in anticipation of a rise in prices and a shortage of supplies that was expected to result from the war. This kind of inventory buying almost invariably brings about its own reaction. Consequently, in the first two months of 1940, as the rate of inventory accumulation slackened and the course of new capital accumulation also showed no encouraging response, industrial activity fell off sharply, the index coming down to 88 in March 1940 which was below the level in September 1939. The decline in industrial activity in these months in a country which was one of the principal recipients of war orders was rather surprising. The trend was, however, later reversed and with the increasing flow of orders from abroad and the intensification of defence preparations at home, industrial activity in America regained its former momentum.

General.

Chart III.

Indices of Market Values of Industrial Shares.

[Base: 1929=100.]



General.

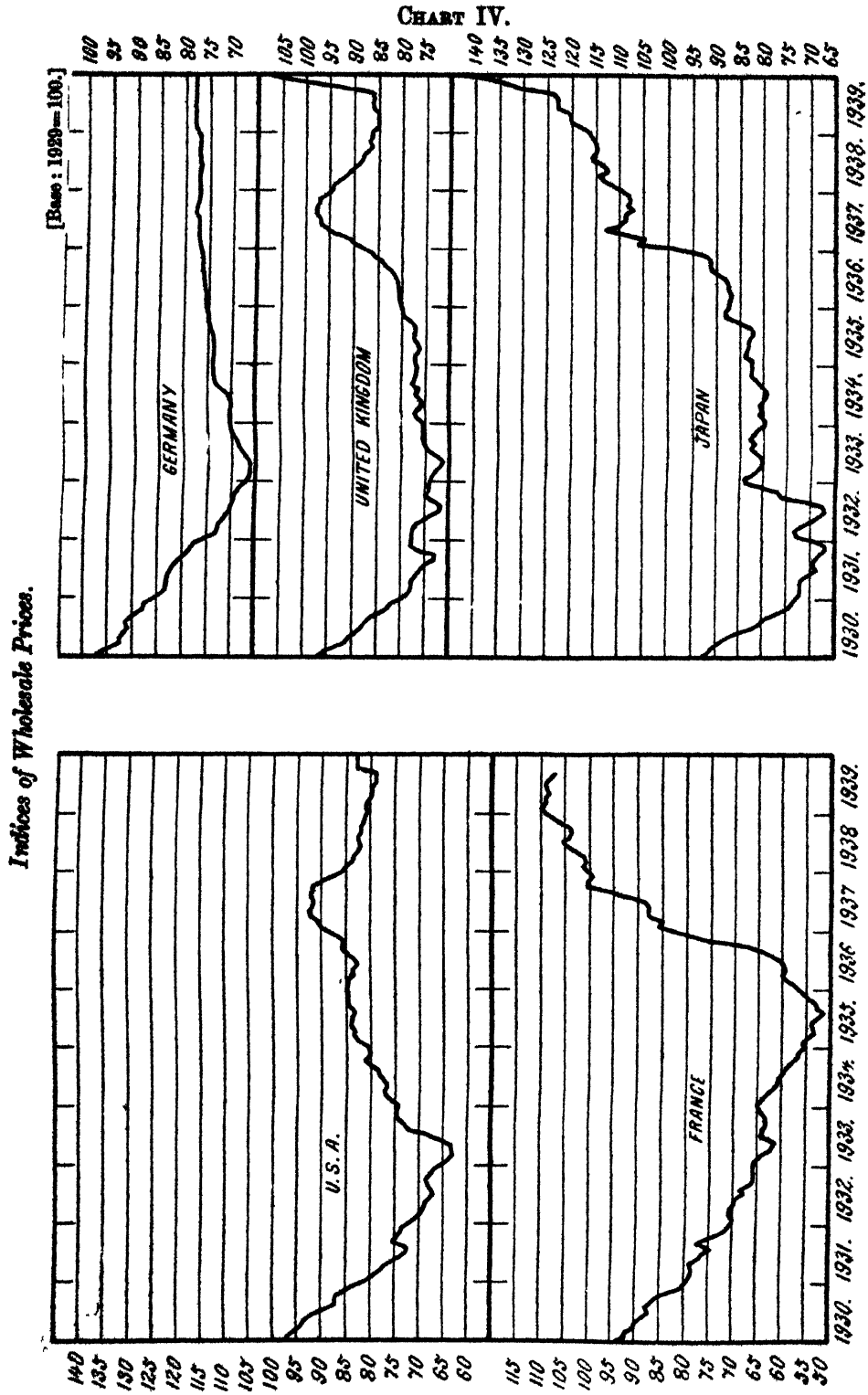
Capital markets.—In spite of the moderate increase in economic activity which took place in many countries during the first eight months of 1939, the general industrial outlook was not viewed with confidence, as is seen from the fact that prices of industrial shares showed a declining trend during this period. The growing apprehension felt about the political situation in Europe was the principal factor which brought about a fall in share values. Even after the outbreak of war when industrial activity was raised to a high pitch and prices of almost all commodities assumed a sharp upward movement, the response of the industrial share market continued to be of a feeble and halting character in many countries. The weakness of share markets is not adequately explained by the severity of taxation or any uncertainty about the current earnings of industries—in fact, it is very likely that the increase in production combined with the rise in prices brought about a fair increase in industrial profits in many cases in spite of the simultaneous rise in costs during the latter half of 1939. It seems, however, that the industrial investor was not inclined to be guided by these current trends. The entire business outlook during this period was dominated by the political and military situation especially in countries which were directly engaged in war. In the United Kingdom, the index of share values (1929 = 100) rose to 91 in March 1939, but fluctuated between 83 and 86 during the next five months. On the outbreak of war it dropped to 76 and remained at or slightly below this level till March 1940 when it rose to 78. It will be seen, therefore, that in the United Kingdom industrial shares failed to derive any stimulus from war conditions. The index for the United States (1929=100) showed no great rise as compared with the remarkable improvement in industrial activity which took place in that country during the first four months of war. The index fell from 58 in January 1939 to 53 in August and though it improved to 60 within the first two months of war, it fell again from November onwards. In March 1940 it stood at 57 which was only 4 points higher than the pre-war level. Among other countries, the index for Belgium was 42 in February 1940 as compared with 47 in February 1939, for the Netherlands it was 60 in March 1940 as against 68 in March 1939, and for Canada, it was 61 in January 1940 as against 64 in January 1939 (1929=100 in every case). This widespread recession in share values is one of the most remarkable features of the year under review, as it showed that the apparent boom in the industrial sphere lacked the basis of business confidence. Both India and Japan were, however, an exception to the general trend, the index for India (1927-28=100) for March 1940 being 122 as compared with 101 in March 1939 and that for Japan (1929=100) being 152 in January 1940 as against 123 in January 1939.

General.

It was remarked in the last year's Review that the volume of new capital issues no longer provided a reliable index of business activity. That statement applies with greater force to the year under review during which capital markets were under the rigorous control of the monetary authorities. The control was remarkably successful in minimizing the competition between Government and private issues and in keeping down interest rates. The firmness with which the bank rate in the United Kingdom was maintained at 2 per cent, except for a short period, in the face of an enormous increase in public expenditure is a proof of this success. As a result, the usual belief that a crash in security prices is an inevitable concomitant of a political crisis was completely falsified during the present war. The setback in gilt-edged prices did not last for more than the first two months of war. From November 1939 onwards, prices of Government securities in London began to improve and maintained a steady rate of improvement throughout the rest of the year. The percentage yield of 2½ per cent. Consols which rose temporarily from 3·85 in August 1939 to 4·01 in the following September declined continuously in subsequent months, reaching 3·36 in February 1940 which was the lowest recorded during the year 1939-40. In March 1940, it rose again to 3·46. In the United States, the average percentage yield of all outstanding loans due or callable after 12 years showed a continuous downward trend from 2·65 in September 1939 to 2·30 in January 1940 after which it registered a slight increase to 2·32 in February. In short, the long term rate of interest in these two leading capital markets continued to remain almost at the peace-time level in spite of abnormal conditions created by the war.

Movements of Prices [Charts IV, V, V(a) and V(b)].

CHART IV.

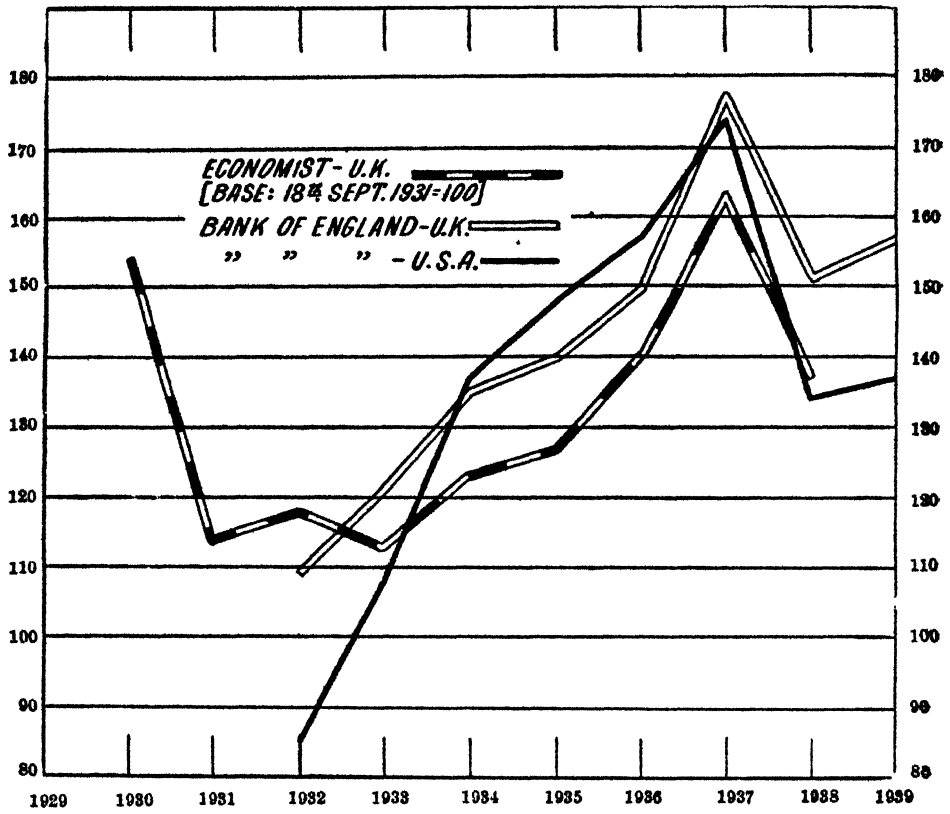

Indices of Wholesale Prices.
[Base: 1929=100.]
GERMANY
UNITED KINGDOM
JAPAN
U.S.A.
FRANCE
1930. 1931. 1932. 1933. 1934. 1935. 1936. 1937. 1938. 1939.

General.

Chart V.

Average Annual Index Numbers of Primary Commodity Prices.

[Base : 19th Sept. 1931=100.]

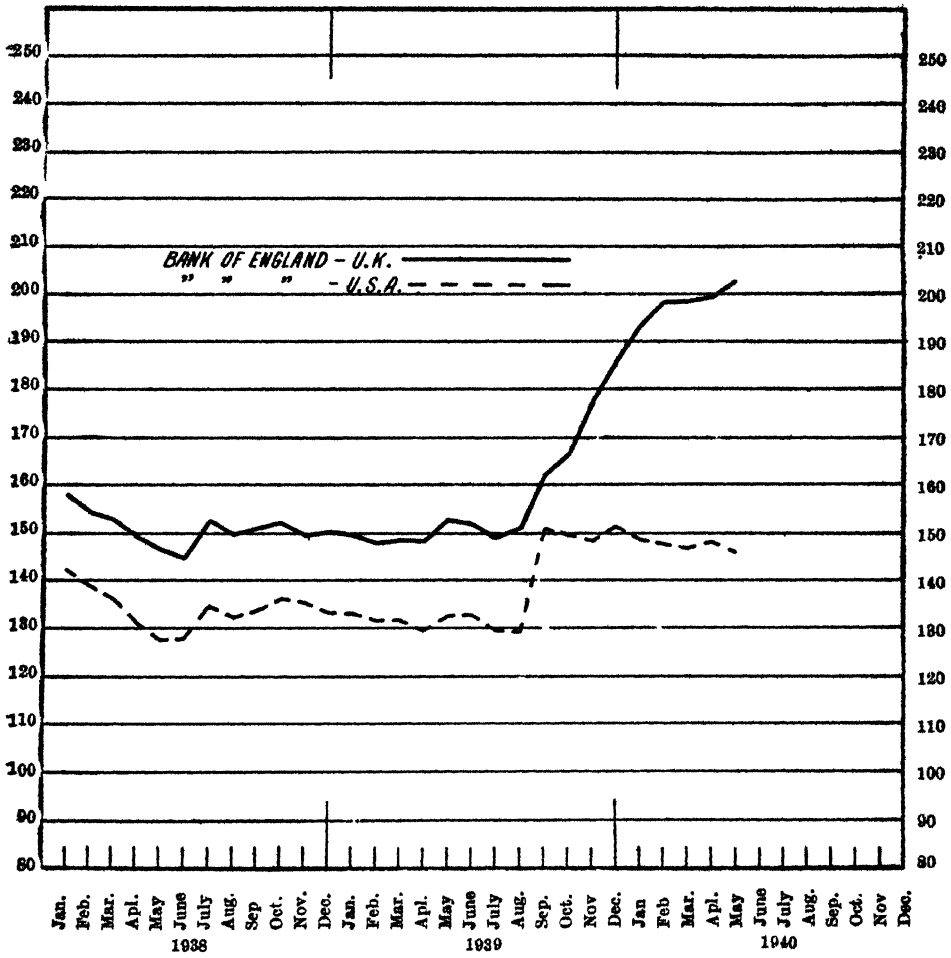


General.

CHART V(*a*).

Average Monthly Index Numbers of Primary Commodity Prices.

[Base : 19th Sept. 1931=100.]



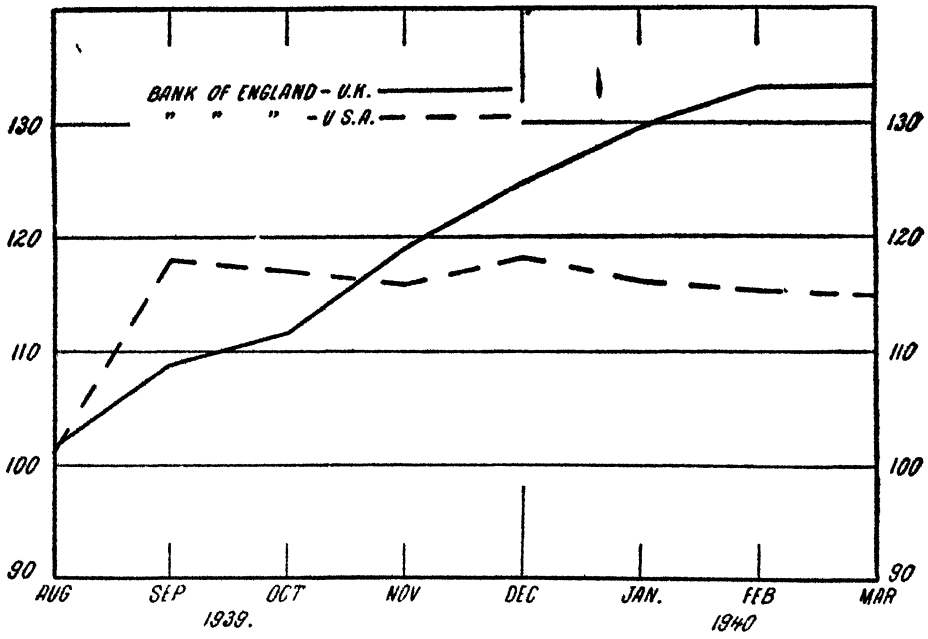
N.B.—Indices from September 1939 onwards are the figures (to the Base 19th August 1939) converted to the Base 19th September 1931.

General.

CHART V(*b*).

Average Monthly Index Numbers of Primary Commodity Prices.

[Base : 19th Aug. 1939=100.]



Like interest rates, prices were under the control of the monetary authorities in most countries. Some rise in prices was, however, inevitable in view of the tremendous pressure of war requirements on the available resources, though the extent of the rise differed according to the circumstances of each country. The increase in the cost of ocean transport due to the scarcity of shipping and the rise in the cost of insurance raised the prices of imports, but the effect of this on the general price structure depended on the importance of import trade in the economy of each country. Generally speaking, the curves of wholesale prices for most countries bent sharply upwards from September 1939. In the case of some countries this meant a direct reversal of the earlier trend of declining prices. Between August 1939 and March 1940, wholesale prices rose by 31 per cent in the United Kingdom, 41 per cent in Belgium, 50 per cent in Denmark, 24 per cent in the Netherlands and Switzerland and 21 per cent in India. Thus, a general rise in

prices was a world-wide phenomenon during the first seven months of war. The United States, Japan and Germany, however, showed a divergence from the general trend. In the United States, wholesale prices rose by 4 per cent during the same period. The comparatively small rise in the case of the United States is partly explained by exchange factors. The American dollar appreciated by 14 per cent during this period in terms of sterling which represents one of the biggest buyers on the world market. In Japan prices had already risen to an abnormally high level in August 1939. Between August 1939 and February 1940, they rose by 16 per cent. Germany was in a class by herself. Wholesale prices in that country remained almost steady between August 1939 and March 1940. The German industry was feverishly active during this period, while the economic blockade must have also created a severe shortage of several vital raw materials. If in spite of this the price-level in that country could remain steady, the explanation is to be found in Germany's policy of direct control over private consumption and investment and canalization of such savings as were accruing exclusively for the purposes of the State. It is interesting to compare the price movements in these countries with the figures of currency circulation, because the latter are usually regarded as a more sensitive index of industrial activity. Between July 1939 (which is a better basis for comparison than August for this purpose) and March 1940 the note circulation increased by six per cent in the United Kingdom, 31 per cent. in Belgium, 43 per cent in Denmark, 6 per cent in the Netherlands, 15 per cent. in Switzerland, 7 per cent in the United States and 22 per cent in Japan. In Germany where prices showed little variation between these dates, the note circulation increased by as much as 35 per cent.

The prices of primary commodities also showed a remarkable rise since the outbreak of war. During the first quarter of 1939, the primary commodities index in the United Kingdom (based on 19th September 1931=100, compiled by the Bank of England) was at a lower level than in the first quarter of 1938, but in the second quarter, it showed a moderate improvement and after the declaration of war, it assumed a pronounced upward tendency, advancing month by month till it rose from 151 in August 1939 to 198 in March 1940, or a rise of 31 per cent. In America, the prices of primary commodities rose much sharper than the general price level. Between August 1939 and March 1940, a rise of 14 per cent was recorded in the primary commodities index (compiled by the Bank of England) as compared with a rise of only 4 per cent in the General Index (compiled by the United States Bureau of Labour). In normal circumstances a rise in prices to this extent would have considerably improved the position of primary producing countries, but its effects were largely neutralised during the year under review by the dislocation of international trade caused by the war. India as a predominantly

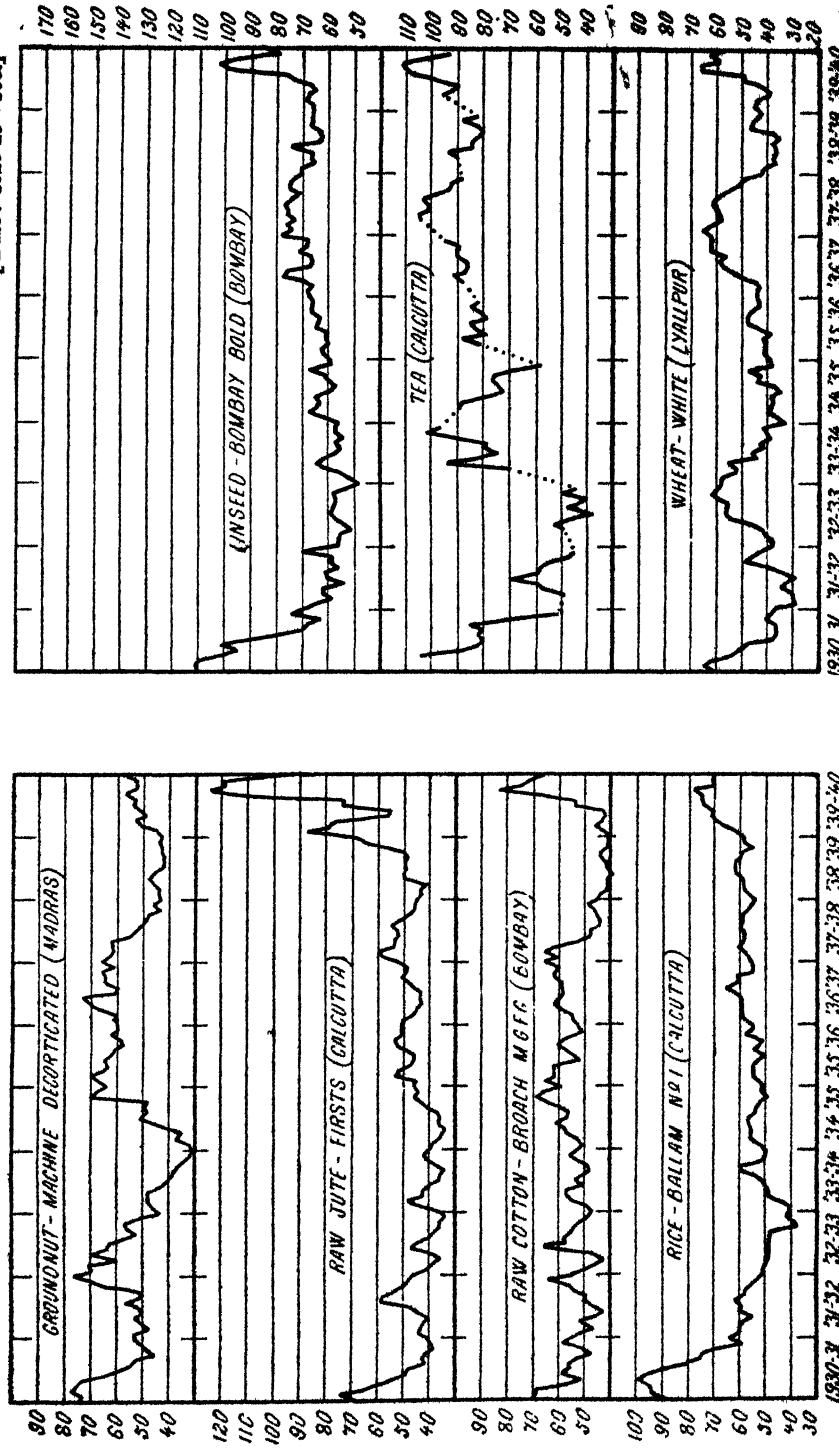
agricultural country no doubt benefited by the rise in prices, but the outlook after the close of the year had become highly uncertain owing to the cessation of trade with a number of important countries. How the different agricultural commodities in India were affected by the impact of war is discussed below.

Agricultural conditions.—The war had begun to cast its shadow for several months before it actually broke out. The German occupation of Czecho-Slovakia in March 1939 had left an acute feeling of uneasiness in political circles and a belief was growing that another act of aggression would set Nemesis at work. The economic system too had begun to feel the shocks and jerks of the trouble that was brewing in the underworld long before the explosion took place. A period in which the chances of peace and war were so delicately balanced was hardly conducive to economic recovery. Business conditions, therefore, continued to be in the grip of the recession which had started in the latter half of 1937 and which was only temporarily interrupted in June 1938. Commodity prices in India no doubt showed a slight recovery in the first five months of 1939-40, but with the exception of a few commodities like jute, sugar and tea, the prices of agricultural produce in general still remained on a low level up to August 1939. The foreign trade position with regard to many staple articles of export was satisfactory as compared with the previous year, but its effect was largely nullified by the growing tension in the international sphere and the consequent deterioration in industrial conditions. The situation, however, was radically altered by the outbreak of war in September 1939, and the whole outlook was transformed from pessimism and nervousness into optimism. There was a sudden rise in prices accompanied by a spate of speculative activity in commodity markets. A slight reaction was noticeable in October, but by the end of November the upward movement again gathered force and by December the prices of many agricultural commodities reached levels which were untouched for many years past. This boom of the last quarter of 1939 was, however, largely an outcome of speculative influences and was, therefore, essentially of a temporary character. By the latter half of January, prices began to come down, as natural tendencies to reaction asserted themselves, aggravated by special circumstances including the announcement regarding the Excess Profits Tax, so that speculators began to unload their holdings. During the last quarter of 1939-40, the prices of many agricultural commodities assumed a sharp downward trend, thus wiping out a large part of the gain made in the preceding quarter, though the levels prevailing at the end of the year were still substantially higher than those before the outbreak of war. This can be seen from the chart below :

CHART VI.

Index Numbers of Agricultural Prices of India.

[Base: 1928-29=100.]



General.

It would appear that of all the agricultural commodities in India, raw jute experienced the most violent fluctuations during the year under review. The average price of jute, ready firsts, rose from R35-14-9 in 1938-39 to R62-7-8 in 1939-40 or a rise of 74 per cent. The price of jute reached its peak in December 1939 and remained generally on a high level in the next two months, but fell precipitously in March 1940 and yet the quotation in that month was R66-4-0 which was 40 per cent higher than what it was a year before. The price of raw cotton also fluctuated widely By the beginning of January 1940, the quotation for Broach M. G. F. G., had more than doubled itself as compared with March 1939, though the gain was reduced to 60 per cent by the end of the year under review. Over the year 1939-40 as a whole, the price of raw cotton averaged 36 per cent higher than in the preceding year. In the case of wheat, the effects of war conditions were reinforced by the continued drought in the wheat growing areas in India till December 1939 when the quotation for white wheat at Lyallpur stood at R3-9-0 per maund as compared with R2-4-3 in March 1939, or a rise of nearly 57 per cent. The widespread rainfall in January 1940, however, changed the crop outlook and the bearish world situation also adversely affected the price of wheat. The quotation, therefore, dropped down to R3-1-3 in March 1940, still showing an advance of 36 per cent as compared with the same month of the preceding year. On an average, the price of wheat was 27 per cent higher in 1939-40 than in 1938-39. Oilseeds also participated in this general upward movement but the rise in their case was not so conspicuous as in the case of jute cotton or wheat, because the severe reduction in exports acted as a constant drag on their price level. The average price of groundnuts rose from R24-8-10 per candy of 500 lbs. in 1938-39 to R29-5-4 in 1939-40 or a rise of 20 per cent and that of linseed from R7-1-3 per cwt. in the preceding year to R8-6-8 in the year under review or a rise of 20 per cent. Rice continued to be a steady market almost throughout the year. A gradual rise since the beginning of the year which was due to the short crop of 1938-39 took the quotation for Ballam No. 1 to R5-6-0 per maund in December 1939 as compared with R4-0-0 in preceding March and though it fell in the next three months, the closing level of R4-12-0 in March 1940 was still 19 per cent higher than what it was a year before. Thus, the war was responsible for a fairly general and substantial rise in the prices of agricultural produce in India, though it is difficult to say to what extent the actual tillers of the soil received the benefit of the rise in prices.

Raw Cotton.—Conditions in the raw cotton markets prior to the outbreak of war were largely a creation of the policies pursued by the American Government. The 1937-38 season in America had closed with a record carry-over, and the production for 1938-39, though smaller than in the previous season, promised no relief towards reducing the burden of stocks. Under these circumstances, if supply and demand factors alone had been allowed free play, the prices of cotton would have slumped heavily in all markets. The measures taken by the American Government were no doubt instrumental in preventing this development, because, by absorbing a large quantity of cotton in loans and Government owned holdings, they created an artificial scarcity in the market, with the result that although

the total supply of cotton was approaching a record figure, the free supply could still be considerably smaller than in the previous year. The situation was, however, essentially artificial and though it was capable of postponing a major slump, the mere presence of huge stocks, whether free or bound, was a highly disturbing factor. The cost of carrying the huge stocks was increasing with the lapse of time and hence the problem of disposing of them at a satisfactory price was becoming increasingly difficult. So far as the domestic price of cotton in America was concerned, the bearish effects of this factor were offset by a remarkable increase in internal consumption. Owing to the expansion of industrial activity, the domestic mill consumption attained an unusually high rate during the year under review. The internal price of American cotton, therefore, remained fairly steady in the five months preceding the outbreak of war. But while the problem of maintaining the domestic price level was solved in this way, fresh difficulties arose with regard to the export markets. Indeed, an important feature of the cotton situation in America in the early months of the year under review was the remarkable shrinkage in the exports of cotton from that country. This was partly due to the artificial level at which the prices of American cotton were maintained as compared with those of outside growths and partly to the repercussions which the American proposal for an export subsidy produced in other countries. These repercussions were of two kinds: for one thing, the prospect of getting cheap subsidised cotton in a few months' time made consumers in other countries reduce their purchases of American cotton to a hand-to-mouth basis, and secondly, while the proposal for an export subsidy was interpreted as a bullish factor for American cotton and caused a further rise in its price, it exercised just the opposite influence on the prices of other cottons and caused a slight decline in them. The result was a further widening of parity between American and other cottons, to the detriment of the former. Consumers in other countries had thus every inducement to divert their purchases from American to other growths till the export subsidy became effective. Thus, so far as the supply position was concerned, the beneficial effects of the increase in internal consumption were completely offset by a fall in exports due to these factors, with the result that the carry-over on the 1st August 1939 was even larger than the previous record carry-over of 1st August 1938. Besides, the production during 1939-40 was a little less than 12 million bales which was only 1 per cent less than the previous year. So far, the U. S. Government had relied on its own efforts to solve the problem of cotton surplus. But during the year under review, it endeavoured to secure international co-operation by convening a World Cotton Conference early in September 1939. The attempt, however, proved abortive as the Conference had to be adjourned *sine die* owing to the outbreak of war.

The introduction of an export subsidy by the American Government with effect from the 27th July 1939 and the outbreak of war in Europe in the following September brought about a complete change in the situation. No doubt, the depreciation of sterling in terms of the dollar partially nullified the advantages of the export subsidy in sterling-area countries while the shortage of shipping facilities for countries in the "war zone" and increases in freights and insurance charges created fresh handicaps for the

export trade. Nevertheless, the prospects of an enormous expansion of industrial activity to meet the requirements of war brought about an increased demand for cotton both internally and for export purposes, and prices rose rapidly. The rise in prices made it possible for American farmers to re-possess a part of the cotton pledged with the Government by paying off the amount of the loan and the accumulated charges. Since the outbreak of war, large quantities of cotton were thus recovered from loan and sold. The mill activity which was already running at a fairly high rate, gained a further momentum on the declaration of war, thereby leading to a further increase in the internal demand for cotton. Exports also attained a satisfactory level, as the parity which was extremely unfavourable to American cotton in the first half of the year, now turned in its favour, partly due to the export subsidy and partly to the disproportionate rise in the prices of foreign growths. As the export subsidy had thus served its purpose, the authorities reduced it by successive stages from its original level of 150 cent points per lb. to 75 cent points on the 5th December, to 40 cent points on the 7th December and to 20 cent points on the 11th December and finally withdrew it on the 30th January, so far as raw cotton was concerned. Under the subsidy programme, America was able to sell cotton (including cotton products) to the extent of well over 6 million bales.

The prices of Indian cotton were on an average considerably higher during the year under review than in the preceding two years. The average price of M. G. F. G. Broach per candy of 784 lbs. was R212 in 1939-40 as compared with R153 in the preceding year and R187 in 1937-38. During the first five months of 1939-40, the quotation for M. G. F. G. Broach fluctuated between R152 and R175. The statistical position of Indian cotton during the season 1938-39 was much more favourable than that of American cotton, as is seen from the fact that the world carry-over of Indian cotton on the 31st August 1939 was estimated to be nearly 24 per cent smaller than on the corresponding date of the previous year. Stocks in India were also substantially depleted. Although the carry-over at the beginning of the season was large, the crop in 1938-39 was smaller than in the previous season and the total distribution through domestic and export channels was considerably in excess of the crop. The mill consumption of Indian cotton was at an exceptionally high level, while exports to foreign countries showed an appreciable rise during the season, 1938-39. Indian cotton took full advantage of the favourable situation created by the comparative dearness of American cotton and the general disinclination of foreign buyers to purchase the latter before the question of export subsidy was decided. There was, besides, a remarkable increase in the Chinese off-take of Indian cotton. As a result of the reduced production of cotton in China owing to the Sino-Japanese war, difficulties in getting cotton from interior ports to mill centres and comparatively large exports of Chinese cotton to Japan, imports of foreign cotton into China increased considerably during the year under review. Besides, the importers in China who anticipated the break in the Chinese dollar from 6½*d.* to 3½*d.* during the period from June to August 1939, purchased Indian cotton as a matter of investment and a hedge against the depreciating dollar. Towards the end of July, however, the American

export subsidy came into effect and that changed the situation to some extent. The effect of the subsidy on Indian cotton was mitigated by the fact that India had already sold the bulk of her surplus from the 1938-39 crop before the subsidy came into force.

The statistical position of Indian cotton on the eve of the European war was, thus, extremely favourable for a general advance in prices. With stocks depleted at most centres and exports running at a much higher level than in the previous year, the only factors which had so far delayed the recovery in the prices of cotton were the uncertainty of the international situation and the continued depression in the mill industry. The outbreak of war in Europe seemed to remove these obstacles and set the stage for a marked rise in prices. Production in 1939-40 was also estimated to be smaller than in the preceding year and this combined with the smallness of the carry-over further improved the statistical position of the commodity. For a time the cotton markets in India degenerated into a hectic orgy of speculation and prices were pushed to levels which were out of all relation to internal demand or prices of foreign growths. The Calcutta operators who had made or hoped to make fabulous profits in jute markets sought for an investment in cotton and thus added to the speculative fury of the market. During the first four months of the war, the market was completely dominated by speculators and genuine consumers deferred their purchases. Both mill purchases and exports were considerably reduced during this period. On the 22nd September, the Government of Bombay issued an Ordinance declaring option dealings in cotton void. This Ordinance lapsed after six weeks but in December, the Government of Bombay made an Act incorporating the essential provisions of the Ordinance.

In September 1939, the quotation for M. G. F. G. Broach advanced to R208 and in spite of a slight reaction which followed, the month of October closed with a quotation of R198. Towards the end of November, the speculative forces again asserted themselves and the quotation was pushed up to R247. The prices of cotton attained their peak in December 1939 and early in January 1940 when the quotation rose as high as R337, or more than 100 per cent above the pre-war level. This was the highest price recorded since October 1929. By that time speculative purchases had become so top-heavy that a reaction was inevitable. The arrival of the new crop, diminished turnover in the cloth markets, stagnant demand for cotton and consequent accumulation of stocks made it difficult for prices to be maintained at their peak levels. Besides, the more or less simultaneous collapse of jute prices compelled the Calcutta operators to liquidate their holdings. The result was a sharp reversal in the prices of cotton from the middle of January 1940 which brought the quotation to R279 at the end of that month. In February, it fell further to R266 and in March to R243. In a way, this fall in prices proved beneficial inasmuch as the resulting widening of parity served to revive the export demand. Towards the close of the year, however, the market fell into an extremely dull state, because on the one hand the export activity was greatly hampered by the shortage of shipping space and stocks accumulated at the ports and on the other hand internal demand also fell to a low ebb owing to the general strike in the textile industry in Bombay.

Nevertheless, as said above, prices of Indian cotton showed a net gain over the whole year.

As regards the prospects for the following year, much depends on the course of events in the political sphere. It is clear that the rapid extension of war and the consequent loss of markets have made the demand prospects extremely uncertain if not discouraging. The recent decision of the British Government to conserve its foreign exchange resources by confining its purchases as far as possible to sterling area countries is a favourable factor for Empire cotton, including Indian ;—already that Government has taken steps to restrict the imports of cotton from the United States. The position about the Far Eastern markets remains obscure, but it is worth noting that in spite of the termination of the Protocol governing the Indo-Japanese trade in raw cotton and cotton piecegoods on the 31st March 1940, exports of cotton piecegoods from Japan to India are being regulated on a monthly basis and with regard to imports of raw cotton from India into Japan, as while the Protocol existed. The world situation, however, is far from satisfactory. The world supply of cotton for the coming year has been estimated to be not very much less than the record or near-record levels of the previous three years while consumption is estimated to be about the same as last year. America has still to liquidate her enormous holdings, but as the Government of that country has continued the loan scheme for the current season on terms more favourable to the grower than last year, it seems that the stocks in America are likely to be well held in the interests of the grower. However, in judging the prospects of Indian cotton, one must bear in mind the psychological effects of the war situation which are often out of all proportion to the actual changes in demand and supply.

Raw Jute. The year under review opened with great promise for the raw jute trade. The steady improvement in prices which was noticed since September 1938 continued with a gathering momentum in the early months of 1939, and in April 1939, prices stood at a level which was never reached in the previous nine years. The quotation for jute, ready firsts, stood at R60-12-0 per bale of 400 lbs. in April 1939 as compared with R30-7-0 a year before—a rise of 100 per cent. This remarkable change in the position of raw jute was partly due to improved conditions in the jute mill industry. The enforcement of shorter working hours by an Ordinance issued by the Bengal Government in September 1938 and the subsequent adoption of a voluntary scheme of restriction by the mills had at last put an end to the chaotic state of affairs which so far prevailed in the industry and which threatened the well-being of both the growers and the mills. Besides, the receipt of a huge sandbag order in February 1939, inspired hopes of a greatly increased demand for jute manufactures on account of the war preparations in Europe. The effect of these developments was bound to be felt by the raw jute trade the prospects of which are ultimately governed by those of jute manufactures. It must be noted, however, that although the prices of raw jute derived most of their incentive from conditions in the mill industry, they often tended to outstrip the prices of jute manufactures and the reason for this is to be

found in the superior statistical position of raw jute. As contrasted with the mill industry which still continued to be burdened with heavy stocks the supply of raw jute available in the market in the first half of 1939 was hardly enough to meet the growing requirements of mills and export trade. The jute crop for the 1938-39 season was a short one and yielded only 6·8 million bales as compared with 8·7 million bales in 1937-38.

The high level of prices prevailing in April 1939, did not, however, last long. By July, prices came down, the quotation for ready firsts falling as low as R39-8-0 per bale, partly owing to the arrival of the new crop and partly to the decision of jute mills to effect a further reduction in working hours from 45 to 40 per week. In order to prevent an abnormal fall in prices, the Government of Bengal issued an Ordinance fixing the minimum price in the futures market at R36 per bale. This was, however, a temporary phase, because the outbreak of war soon restored the earlier boom conditions and this time in an accentuated form. There was a vigorous demand for jute manufactures and the industry was flooded with orders. All the restrictions on output were taken off one after another and production was increased to capacity. This was sure to lead to an increased demand for raw jute and speculators in the futures market anticipated and exaggerated its effects. The quotation for ready firsts rose from R38-8-0 in August to R87-0-0 in December, showing a rise of 126 per cent. In September, mills tried to control the price of jute by making an informal agreement among themselves not to purchase it at more than a certain price. But the forces making for a rise in prices were so irresistible that the agreement had soon to be abandoned. The statistical position also was believed to be favourable for a pronounced rise in prices. The outturn of jute during the 1939-40 season was estimated to be 9·6 million bales which was 41 per cent higher than last year, but as the last year's crop was a short one, the carry-over was negligible, and it was feared that if mills continued to work 60 hours a week, the available supply of raw jute might not be adequate to meet the combined requirements of mills and the usual export markets. It was this strength of the statistical position which helped the prices of raw jute to remain at a comparatively high level even after the boom in jute manufactures had spent itself and their prices had begun to fall precipitously. In January, the jute mill industry suffered a severe setback when the British Government decided to postpone the date for the completion of the sandbag orders from the 30th April to the 31st August, and the prices of jute manufactures collapsed heavily. Raw jute could not escape being affected by this event, but the fall was less severe in its case and was shortly followed by recovery. The quotation fell to R82-8-0 in January 1940, but rose again to R84-0-0 in the following month. Towards the close of the year, however, the raw jute market also gradually lost its strength. This was partly due to the continued recession in the prices of jute manufactures and partly to the fact that the statistical position of raw jute, which was the principal source of its strength, was materially altered by later events. The previous estimates of the probable demand for raw jute had to be revised in the downward direction because the slowing down of sandbag deliveries

made it necessary for mills to reduce their working hours from 60 to 54 per week. This naturally meant a reduction in the mill consumption of raw jute. Moreover, reports began to arrive that under the stimulus of high prices the jute growers had sown a much larger area this year than last year and that the weather conditions were also exceptionally favourable to the progress of the crop. It appeared, therefore, that the supply position in the coming season was likely to be relatively easy. Under these circumstances, the upcountry dealers who were so far withholding stocks in the expectation of higher prices had no inducement to do so and consequently the arrivals in Calcutta began to increase. As a result of these developments, the price of ready jute fell sharply to R66-4-0 in March 1940. The average price during the year worked out to R62-8-0 per bale as compared with R35-15-0 in the preceding year.

The crop regulation policy of the Bengal Government had a considerable influence on the course of events in the raw jute market. On the 17th October, the Bengal Jute Regulation Ordinance was issued in order to enable the Government to prepare an accurate record of lands on which jute was cultivated in the year 1939. Shortly after, the Government introduced a bill called the Jute Regulation Bill, 1939 in the Bengal Legislative Assembly. The object of this bill was "to secure to the grower a fair and steady price for his produce, adjusting as far as practicable the supply of raw jute to the estimated world demand for jute and jute products". This was intended to be done by prohibiting the growing of jute except under licence and fixing quotas of land on which it would be permissible to sow jute. The bill aroused considerable controversy and subsequently, the Government decided to postpone its consideration for some time. This, of course, made no difference to the Government's general policy of regulating the cultivation of jute from year to year. In February, they promulgated the Jute Regulation Ordinance, 1940, which provided that no person should grow jute unless his name or that of his predecessor in interest had been entered in the Government Record and that no grower should grow jute on an area in excess of that entered in the record. The intention was to limit the area to be sown in the 1940-41 season to that sown in the previous season. At the time when this Ordinance was issued, the statistical position of raw jute was believed to be strong, as the reserve stocks of jute in the hands of consumers both in this country and abroad had fallen to a very low level and it was expected that even a big crop would be absorbed at a satisfactory level of prices. The Government was, therefore, prevailed upon not to take the action contemplated by them.

Oilseeds.—The world situation in respect of oilseeds was fairly normal during the first five months of the year under review, the only factor which restrained activity being the uncertain political outlook. The downward trend of prices which characterised the year 1938 was checked and business continued on a steady level. Crops of cotton seed, groundnut, palm kernels, etc., were all satisfactory and sufficient to meet world requirements and consequently prices moved within narrow limits between April and September 1939. During the pre-war months, the United Kingdom was a good buyer of Indian linseed and purchased 86 per cent of her requirements from India.

General

The high prices prevailing for Argentine linseed due to the short crop in that country combined with the duty of 10 per cent *ad valorem* turned the parity in favour of Indian linseed. The United Kingdom also increased her off-take of nuts and kernels during this period, but her imports of cotton seed and soya beans fell off. On the outbreak of war the Government assumed control of the entire trade in oilseeds in the United Kingdom and took over all stocks in the hands of importers and under contract, at fixed prices. On the 7th October, the Ministry of Food issued an order establishing complete control over all oil-crushing and oil-extracting industries in the United Kingdom with a view to safeguarding the supplies of raw materials. Since then maximum prices were fixed by the Ministry of Food for all oils and meals. These prices were revised from time to time as circumstances dictated. The trade in oilseeds, however, was left free and in November the prices of oilseeds soared, both Plate and Indian linseed leading the advance. Small exportable surpluses and the rise in shipping and war risk insurance rates contributed to the increase in prices. From the beginning of the new year, prices began to come down, partly in sympathy with the decline in the prices of agricultural produce and partly because of the discouraging outlook for exports. In April 1940, the Government of India imposed restrictions on the exports of linseed, castor-seed and rape seed to neutral countries. The announcement of this ban caused a certain degree of alarm in the market, but the Government of India promptly issued a Press Note stating that the object of this measure was not to depress prices, but to ensure that there should be no failure in meeting the requirements of Allied Governments. The Government had ascertained that these requirements were appreciably in excess of the amounts of these oilseeds that were likely to be available for shipment from India. The Government had also received certain assurances as regards the provision of shipping and prices to be paid for these oilseeds. The prices were to be based on the parity of prices prevailing in the Argentine for linseed and rapeseed and those prevailing in Brazil for castor seed, due account being taken of the normal premium, if any, which the Indian oilseeds enjoyed over the foreign varieties. Subsequently, however, in June 1940, the Government of India decided to relax these restrictions in view of the changed European situation. The war was responsible for a considerable amount of dislocation in the export trade in oilseeds. During the last seven months of the year under review, the exports of oilseeds from India declined by 44 per cent as compared with the corresponding months of the preceding year. The situation was further aggravated as the war progressed. The markets which are now closed to Indian oilseeds took nearly 56 per cent of the total exports of oilseeds in the pre-war year, 1938-39. In view of the loss of these markets, the future trend of oilseed prices has become highly uncertain.

Groundnuts.—The production of groundnuts in India during the crop season 1938-39 was 3,219,000 tons in shell as compared with 3,501,000 tons in 1937-38. Largely because of the smaller crop, the exports of groundnut seeds from India during the first five months of the year under review were smaller than in the corresponding period of the preceding year. They amounted to 312,000 tons as compared with 339,000 tons in the first five months of 1938-39. Prices also were generally on a higher level than in the preceding year. At the end of April 1939, the price of groundnuts, machine-decorticated,

at Madras was quoted at R25-3-0 per candy of 500 lbs. It rose during the next two months and was quoted at R29-10-6 at the end of June 1939. Dull conditions prevailed in the market throughout July and prices sagged to R27-5-0, but this was a temporary phase. In August, prices improved to R29, rising further after the declaration of war to R30-2-0 in September and, after a slight reaction in the following month, to R31-12-0 in November. Thereafter, the quotation came down but moved narrowly between R29-7-0 and R29-10-0 till March 1940 when owing to the increased interest evinced by exporters, it improved to R32-4-0. The average price for the year under review was R29-5-4 as against the average price of R24-8-10 during the preceding year. In spite of the rise in prices, the general trading conditions cannot be said to have been favourable for groundnuts during the year under review. The export trade was severely affected by war conditions: the exports from India during the last seven months of 1939-40 amounted to 247,000 tons as against 496,000 in the same months of 1938-39.

Linseed.—The estimated production of Indian linseed during 1938-39, which came into the market during 1939-40, was 442,000 tons or 4 per cent lower than in the previous year, but 5 per cent higher than in 1936-37. Trading conditions were generally favourable to Indian linseed till the outbreak of war. The output of Argentine linseed which is an important factor in the world linseed situation, continued its declining trend from 1,905,000 tons in 1936-37 to 1,515,000 tons in 1937-38 and to 1,388,000 tons in 1938-39. The decline in Argentine production naturally meant less competition for Indian linseed in the world market. The increase in output in other linseed producing areas was not sufficient to offset the decline in the Argentine and consequently, the total world production (excluding the U. S. S. R.) also fell to 2,442,000 tons in 1938-39, showing a drop of 2·3 per cent as compared with the preceding year and of 13·6 per cent as compared with 1936-37. As a result of the smaller production combined with increased demand occasioned by rearmament, particularly the intensification of naval and aircraft construction for which linseed oil is an essential article the prices of both Indian and Plate linseed were fairly steady during the first quarter of the year under review. The quotation for linseed, Bombay Bold, per cwt. rose from R7-0-3 in April to R7-6-0 in May, but declined to R7-3-6 in June. In July, however, the increased selling pressure in India caused a further fall in prices and the quotation came down to R6-15-9. The Plate linseed also shared in this fall owing to the competition of Indian linseed. In August, the United Kingdom was a large buyer and prices again appreciated to R7-3-0. The outbreak of war further stimulated the rising tendency and the quotation rose by successive jumps from R7-15-0 in September to R11-5-0 in December. Shortly after the declaration of war, the British Government requisitioned the linseed stocks in England and fixed prices for both Indian and Plate linseed and for linseed oil. The prices of linseed oil fixed in September were revised upwards in October and November, which further encouraged the bullish tone of the market. While, however, prices were rising in this way, the export trade in linseed was greatly hampered by shipping difficulties. The rise in prices was, therefore, largely anticipatory in character and was untenable without a recovery in export trade. The reaction came about in January and February 1940 when prices suffered a

sharp break. The quotation for Bombay Bold fell from R11-5-0 in December 1939 to R8-7-0 in February 1940. Prices were slightly steadier towards the close of the year when the quotation rose to R9-3-0.

During the five months preceding the outbreak of war, the exports of linseed from India amounted to 149,000 tons as compared with 157,000 tons in the corresponding period of the previous year. The fall in exports during this period is largely explained by the smaller crop of the season. Even the reduced exports during this period were considerably higher than in the first five months of 1937-38 when they amounted to 102,000 tons. After the outbreak of war, however, the export trade in linseed was seriously disorganised, the total exports of linseed for the seven months September 1939 to March 1940 amounted to only 70,000 tons or 43 per cent of what they were in the same months of 1938-39. The decrease as compared with the corresponding period of 1937-38 amounted to 56 per cent. The total exports in 1939-40 were 219,212 tons as against 318,344 tons in the preceding year. The main reasons for the fall in the exports of linseed since the beginning of war were the shortage of shipping space and the loss of certain important markets on the Continent.

Wheat.—A general abundance of supply with only a moderate demand from importing countries was the principal feature of the world wheat situation in 1938-39. During the year under review, the supply position continued to be heavy, in spite of the peculiar conditions created by the war and the increased demand for building up reserves of foodstuffs. Wheat production in the world (excluding the U. S. S. R. and China) in 1939-40 was estimated to be 4,185 million bushels which, though smaller than the record crop of 1938-39, was still bigger than the crop of any other year. Besides, the carry-over was exceptionally large with the result that in spite of the smaller crop in 1939-40, the total wheat supplies of the world in that season exceeded the already high figure of the previous season. The stocks in the principal exporting countries on the 1st August 1939 amounted to 687 million bushels or more than double what they were on the corresponding date of the previous year. During the year under review, the Argentine and U. S. A. had short crops, while the European crop was adversely affected by war and unfavourable weather conditions: but these deficiencies were largely made up by the satisfactory crops in Canada, Australia, North Africa and to some extent India. The extent to which the statistical position of wheat in the world market was unbalanced in 1939-40 can be seen by a comparison of the total exportable supplies with the probable requirements of importing countries during the season. Including the exportable stocks of 687 million bushels at the beginning of the season, the total quantity available for export in 1939-40 was estimated to be 1,324 million bushels, as against which the estimated requirements of importing countries were only 610 million bushels. Thus, a large part of the exportable surplus amounting to 714 million bushels is unlikely to be absorbed by the demand of the importing countries and will probably have to be carried over to the next season. It has been remarked by competent observers that in spite of the demand created by the war, the abundant surpluses of the last two seasons will continue to exercise their bearish influence on the international wheat

situation. It has been pointed out that in many respects the wheat position to-day is different from that of 1914. The United Kingdom is now less dependent on overseas supplies than she was at the time of the last war, having increased her domestic production in recent years. It may also be noted that during the year under review, Canada which is an important source of supply for the British market, had an export surplus which was more than double the requirements of the United Kingdom. Besides, the difficulty of obtaining adequate shipping space for distant markets is also likely to accentuate the bearish effect of the statistical position. The exports of Australian wheat to the United Kingdom and the Far Eastern markets were considerably hindered by this factor since the outbreak of war. Although the British Government have contracted to purchase a large quantity of wheat from Australia, the country is still left with a heavy export surplus which may act as a serious drag on the prices of Australian wheat.

The course of wheat prices in India during the year under review has to be viewed in the light of the world situation described above. The prices of wheat in India were fairly steady at the beginning of the year under review under the influence of the political situation in Europe. The quotation for wheat at Lyallpur which was R2-4-3 per maund in March 1939 rose to R2-7-0 in April. Thereafter for three months the market steadily deteriorated and in July the quotation fell to R2-1-9. During this period, wheat prices were on a low level in almost all countries, mainly because of the depressing influence of the large supplies from the 1938 crop and the expectation of a heavy carry-over at the end of the season. In India, the demand for ready wheat was very poor from May to July and stocks were accumulating at the ports. In August, however, prices displayed a steadier tendency owing to the revival of demand from consuming centres. With the outbreak of war, the market quickly firmed up and prices advanced by successive stages till they reached their peak in December. In December, the quotation at Lyallpur stood at R3-9-0 which was 58 per cent higher than the pre-war level. Several factors were responsible for this steep rise in prices during the last quarter of 1939. The prolonged drought in the wheat growing districts in Northern India was causing anxiety regarding the prospects of the new crop, at a time when the declaration of war had created high expectations of an increase in demand for wheat. There was also a seasonal increase in the offtake from consuming centres. Another factor which encouraged the buoyant tone of the Indian wheat market was the sharp rise in wheat prices which simultaneously took place in other countries as a result of the rapid decline in the prospects of the Argentine crop and the prevalence of drought conditions in the Western districts of the winter wheat belt of the United States. It must be noted, however, that the rise in wheat prices in India was greatly exaggerated owing to heavy speculative buying. Speculators completely ignored the bearish nature of the world wheat situation and even the reports of a bumper crop in Canada had little effect on the market. The only factors which, to some extent, restrained the activity of speculators during this period were the measures taken by certain Provincial Governments to control the prices of foodstuffs and the suspension of option dealings in certain markets. In the month of January 1940, however, there was widespread rainfall in the wheat growing districts and that changed the

whole situation. The anxiety which was felt earlier about the new crop was set at rest and the Lyallpur quotation for wheat fell from R3-9-0 in December to R3-3-6 in January. The crash in jute markets which came about in the same month was also partly responsible for the fall. In February, the quotation showed a slight rise which was mainly due to the satisfactory demand for ready wheat ; but thereafter the prospects of a large wheat crop again depressed the market and prices declined to R3-1-3 in March 1940. Towards the end of the year, the market was considerably influenced by the generally bearish outlook of the world wheat situation and the estimates of the Indian wheat crop for 1939-40 which showed an increase of 12 per cent in yield as compared with the preceding year. (The All-India Final Wheat Forecast published in August 1940 estimates the increase at 8 per cent.) In spite of these fluctuations, however, the prices of wheat in India at the end of March were still 36 per cent higher than what they were a year before. It must be added that the import duty on wheat in India has the effect of keeping Indian prices at a higher level than what they would have otherwise been, while anticipations, however insecurely founded, of large scale Government purchases have a steadying influence on the market.

The outturn of wheat in India for the season 1938-39 was estimated at 9·96 million tons as compared with 10·76 million tons in the previous season —a decrease of 7 per cent. Owing to the low prices prevailing in the world market before the outbreak of war and the enormous supplies offered by other exporting countries such as Canada and Argentina, the exports of wheat from India fell to 7,760 tons in 1939-40 as compared with 279,181 tons in the previous year. Thanks to the import duty on wheat, which was imposed in December 1938, imports of foreign wheat into India were also reduced from 159,062 tons in 1938-39 to 85,506 tons in 1939-40.

The import duty on wheat was due to expire on the 31st March 1940. The statistical position of wheat had continued to be unfavourable owing to the presence of large exportable supplies in countries like Australia and Canada and it was possible that in the absence of the import duty the prices of wheat in India would have been depressed unduly. The duty was, therefore, continued for another period of one year from the 1st April 1940 at the existing rate of R1-8-0 per cwt.

Rice.—The Indian rice crop for 1938-39 was a poor one, giving an outturn of 23·9 million tons which was the smallest recorded in the previous nine years excepting 1935-36, when a yield of only 23·2 million tons was obtained. Consequently, India had to increase her imports of rice from Burma to make up the deficit in domestic supplies. The imports of rice not in the husk into India from Burma during 1939-40 amounted to 1,767,000 tons as compared with 1,281,000 tons in 1938-39, showing an increase of 38 per cent. The imports in 1937-38 were 1,198,000 tons only. The rice crop of the 1939-40 season is better than that of the preceding season, the estimated yield being 25·3 million tons or 6 per cent higher, but it is still relatively small as compared with the yield in 1937-38 which amounted to 26·7 million tons or that in 1936-37 which was 27·8 million tons. The outbreak of war has introduced new factors in the rice situation in the East. Owing to the general dislocation

of trade caused by the war, Burma has been unable to maintain her exports to many of her customary markets. The country will, therefore, have surplus stocks of rice which may seek for an outlet in nearer markets. There are, however, certain off-setting factors which must be taken into account. In the first place, exports from Burma from the 1938-39 crop were so heavy that the country has only a small carry-over left from the last season. Secondly, there are indications of new or additional demand springing up from the Eastern countries. As a result of the reported heavy deficit in Chosen, Japan is likely to increase her imports of rice from other countries to a considerable extent. Other Eastern countries like British Malaya, Ceylon and the Netherlands East Indies, may also have to compete for the available surplus, because the rising prices of plantation and other products may have the double effect of reducing the area sown to rice and also raising standards of living and thus increasing the consumption of rice in those countries. The building up of emergency stocks of food may also absorb large quantities of rice while the war lasts. It is possible, besides, that the other exporting countries in the East may exercise increased control over their exports of rice in order to safeguard food supplies. The combined effect of all these factors may to some extent counter-balance the loss of trade with the European markets.

Prices of rice in India showed an appreciable improvement during the year under review. The average price of Ballam No. 1 in Calcutta was R4-13-9 per maund during 1939-40 as compared with R4-0-9 in the preceding year and R3-15-6 in 1937-38. While keeping pace with the oscillations in the general price level, rice was comparatively free from the violent fluctuations which characterised the other agricultural commodities. Prices generally showed an upward tendency since the beginning of the year, the quotation for Ballam No. 1 rising from R4-4-0 in April to R4-14-0 in August. After the outbreak of war, it rose to R5-2-0 and remained steady at about that level till December when in sympathy with the hectic advances which were noticed in the prices of almost all agricultural commodities in India, it spurted up to R5-6-0. This was, however, a temporary rise and in January 1940 the quotation fell again to R4-12-0 at which level it continued with slight fluctuations till the end of the year. Thus, the prices of certain varieties of rice lost the entire gain made during the first four months of war, though certain other varieties showed a rise on the whole.

Industrial conditions.—"The war of nerves" which was proceeding in Europe for several months before the actual outbreak of hostilities in September 1939 was the main depressing influence on economic conditions during the first five months of the year under review. A few encouraging signs were noticeable in certain parts of the industrial system, such as the rise in the prices of tea and jute, the increased activity in the iron and steel industry and the satisfactory trend of the export trade. But the effect of these was largely offset by the prevailing political uncertainty which stifled all industrial initiative and enterprise. The recession in the cotton mill industry had further deepened, with the continued weakness of demand and consequent accumulation of stocks. By July 1939, the stock position in the jute industry had also become unbearable and the optimism created earlier in the year by the receipt of the sandbag order was fast withering.

Paper, coal and other industries were in a similarly unhappy position. With the outbreak of war, however, there was an almost instantaneous change in the situation. The memories of the last war which had given a strong impetus to the industrial development in the country inspired hopes that the same experience would be repeated and a feeling of extreme optimism took the place of the earlier pessimistic mood. There was a wave of speculative activity in all markets and prices rose precipitously. The boom reached its peak in December 1939, after which, however, a reaction set in. During the last quarter of the year under review, prices showed a declining trend and a generally cautious attitude characterised the share and commodity markets. On the whole, the outlook for Indian industries remained distinctly more hopeful at the end of the year than what it was before the outbreak of war. The different aspects of the industrial situation which are discussed below provide evidence of the increased activity which the war brought about in all parts of the industrial system.

Industrial profits.—Profits as the main motive force of economic activity should theoretically provide one of the best indicators of business conditions. In India, however, owing to the delay in the publication of accounts, profit figures relating to a year are often not available till long after the year is closed, and are, therefore, of little help in interpreting the economic conditions of the immediate past. Generally speaking, it is a safe assumption that profits declared in any particular year reflect in the main the conditions during the preceding year. Thus, profits declared during 1939 may be assumed to be mainly those carned during 1938 and the early part of 1939. Besides, different companies close their accounts on different dates, so that profits declared by them relate to different periods. A general index based on the sum total of such profits is, therefore, defective and can at best be used only as a rough index.

The following table gives the general profit index for all industries :—

Profits and Chain Index

[Total for all industries.]

Year	No. of companies	Profits (R000)	Profits, same companies preceding year (R000)	Chain Index. (Base 1928 =100)
1928	308	12,52,23	..	100·0
1929	308	9,76,19	12,52,23	78·0
1930	310	5,93,87	9,82,40	47·1

Year	No. of companies	Profits (R000)	Profits, same companies preceding year (R000)	Chain Index (Base 1928 =100)
1931	317	3,58,11	6,06,98	27·8
1932	320	4,48,34	3,60,18	34·6
1933	324	5,73,21	4,48,91	44·2
1934	327	8,18,32	5,77,56	62·6
1935	335	9,25,02	8,36,52	69·2
1936	332	8,42,73	9,24,19	63·1
1937	334	8,34,90	8,62,86	61·1
1938	333	9,31,32	8,39,46	67·7
1939*	135	8,26,19	6,72,94	83·1

* Figures for 1939 are provisional, as balance sheets of only 135 companies are available for that year.

Industrial conditions in India were in a fairly prosperous state during the major part of 1937 and consequently profits declared in 1938 by most companies were higher than in the preceding year. The chain index, therefore, rose from 61 in 1937 to 68 in 1938. The rise in the chain index would have been more marked but for the fact that the jute industry, which is a major industry, was in the midst of a severe recession during that period and was actually making losses. In 1939, the index rose further to 83 which is the highest level attained since 1929. This figure, however, is based on the results of only 135 companies as compared with 333 companies the figures for which were used for the index for 1938. As said above, profits declared in 1939 were mostly earned in 1938 and in the early part of 1939, and as this was by no means a more prosperous period for Indian industries than the preceding period of 1937-38, the rise in the index number for 1939 above that for 1938 needs explanation. The explanation is to be found in the remarkable improvement which took place in the position of the jute industry early in 1939. It will be seen from the figures given on page 48 that 54 jute companies which declared a loss of R71 lakhs in 1938 were able to declare a profit of almost double the amount in 1939. Besides jute, the sugar industry also showed a moderate improvement during this period. Almost all other industries, on the other hand, were in a more or less depressed state during the major part of 1938 and early in 1939 and hence the profits declared by them in 1939 were smaller than those in the preceding year. From September 1939, however, industrial conditions in general took a decisive turn for the better, but the effects of this on the profits of industries will be seen only when figures for 1940 are available.

Variable-yield securities.—Perhaps the most sensitive barometer of industrial conditions is to be found in the movements of share values, because it is the function of the stock exchange to keep continually forecasting the

prospective yield of shares and hence the prospects of the industries to which they relate. It is not always, however, that the stock exchange is able to perform this function properly, because there are times when the market is completely dominated by individuals who are incapable of any intelligent anticipation of economic tendencies. The movements of share values at such times merely reflect the changing moods of mass psychology. For this reason, it is unsafe to base any conclusion on the magnitude of price variations on the stock exchange. But it is at the same time useful to study the trend of such variations, because the trend can rarely be at variance with the intrinsic position of industries. A marked upward or downward movement in share prices over a period nearly always indicates an improvement or deterioration in business conditions. The experience of 1939 amply illustrates how a rising trend of share prices inspired by a genuine improvement in the industrial situation can develop into an unhealthy boom due to blind speculation. The following table gives the index number of variable-yield securities in India :—

Variable-Yield Securities.

[Base : 1927-28=100.]

Months.	1927-28.	'28-29.	'29-30	'30-31.	'31-32.	'32-33.	'33-34.	'34-35.	'35-36.	'36-37.	'37-38.	'38-39.	'39-40.
April .	93·8	101·0	97·7	95·6	74·5	61·5	81·4	95·5	109·7	105·9	125·2	102·3	97·6
May .	93·8	101·1	97·0	93·2	68·7	61·0	82·6	97·2	112·4	108·1	124·5	100·0	100·8
June .	95·4	100·5	96·3	89·8	64·1	58·1	85·1	96·9	110·7	109·3	121·[illegible]	100·5	100·4
July .	95·8	100·3	97·3	86·1	62·3	61·4	86·7	97·8	109·8	114·7	123·7	107·7	100·0
August .	96·5	98·1	100·1	83·8	58·5	66·8	86·7	102·6	102·7	113·3	124·5	107·8	98·5
September	99·2	98·5	101·2	79·7	61·0	67·5	86·9	106·0	102·8	112·4	128·7	104·5	111·4
October .	100·7	97·8	100·4	78·7	64·7	68·9	85·8	110·8	106·6	113·3	128·1	107·3	111·9
November.	107·4	96·9	97·1	77·1	65·6	69·0	85·0	111·5	108·7	117·1	121·8	109·5	124·7
December .	104·1	97·1	96·5	75·0	63·2	69·6	85·7	115·2	108·6	119·4	115·2	107·3	130·7
January .	104·3	99·4	95·4	75·8	61·3	76·3	86·1	120·8	106·3	124·2	112·0	105·4	120·9
February .	104·6	99·9	98·2	76·6	63·3	77·4	89·4	119·4	105·5	126·6	109·0	103·6	121·6
March .	104·3	100·6	93·6	76·1	63·8	77·6	92·8	112·8	103·7	137·0	108·5	100·[illegible]	122·1

Prices of industrial securities in India showed a temporary recovery after the Munich Pact of September 1938, but from the following December, prices began to fall again and continued generally on a low level till the outbreak of war. In April and August 1939, prices of ordinary shares slumped heavily owing to the adverse political situation. The index number fell to 98 in August. From September, however, a marked improvement set in which later developed into a boom taking the index to 131 in December 1939 the highest level reached since March 1937. Thus, within the first four months of war, prices of industrial shares advanced by more than 31 per cent. A hectic rise of this nature was bound to be short-lived. In January 1940, the Excess Profits Tax was announced and the index number registered a sharp drop to 121, but it recovered to 122 in February and remained steady at that level in March. The net appreciation of share values at the end of 1939-40 as compared with the preceding year was 22 per cent. Steel shares, being the leading speculative counters on the stock exchange, showed these fluctuations in a more accentuated form. Between March 1939 and March

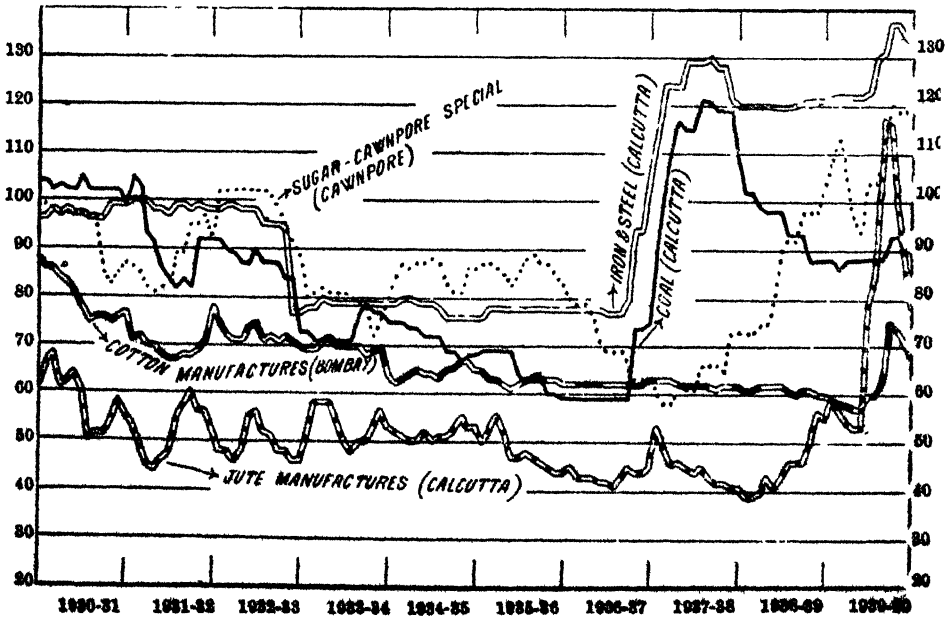
1940, the price of Tata Iron and Steel Ordinary shares rose from R247 to R392 and those of Deferred Shares from R1,135 to R2,110. During the same period, Indian Iron shares also improved from R28-6-0 to R36-8-0. The prices of steel shares registered a marked deterioration in the early months of 1939. Tata Ordinaries, for example, depreciated from R315 at the end of December 1938 to R247 at the end of March 1939. Tata Deferreds also came down from R1,516-4-0 to R1,135 during the same period, though Indian Irons were comparatively steady. Both Tata Ordinaries and Deferreds recovered in May 1939, the former rising to R289 and the latter to R1,382-8-0 and both remained fairly steady during the next three months. Indian Irons, on the other hand, declined to R23 in April 1939 and remained steady thereafter till the outbreak of war. After the outbreak of war, all the three shares showed a pronounced improvement which continued till December, Tata Ordinaries rising from R287-8-0 to R415-8-0, Tata Deferreds from R1,367-8-0 to R2,212-8-0 and Indian Irons from R24 to R44-12-0 during that period. With the general recession in commodity prices which came about in January and February 1940, prices of steel shares fell, but they recovered again in March. Over the year as a whole Tata Ordinaries appreciated by 59 per cent, Tata Deferreds by 86 per cent and Indian Irons by 30 per cent, which shows the distinct improvement in the general industrial outlook during the year under review.

Industrial Prices.—The following chart shows the course of prices of some of the important industrial products in India :—

CHART VII.

Index Numbers of Prices of Principal Industrial Commodities.

[Base : 1928-29=100.]



General.

Prices of industrial products were generally on a higher level in the year under review than in the preceding year. With the adoption of a concerted plan for restriction of output by the jute mills in January 1939, the position of the industry greatly improved, and the receipt of a sandbag order in February and the expectation of further orders infused a buoyant feeling in the industry. Consequently, prices of jute manufactures rose substantially in the early months of 1939 and even after the boom had receded in July and August 1939, prices still maintained themselves at a higher level than in the corresponding months of the previous year. After the outbreak of war, there was a hectic rise in the prices of jute manufactures, prices reaching their record levels for many years. The causes of this rise in prices as also of the reaction which followed from January 1940 are explained in the section on Jute Mill Industry. Prices of iron and steel also recorded a substantial advance during the year owing to the shortage of steel in the world markets as compared with the heavy demand from the armament industries in all countries. Among other industrial products the prices of which rose even before the outbreak of war tea and sugar deserve special mention. The statistical position of tea had greatly improved as a result of the reduction in the export quota at a time when the world demand for tea was increasing. The position continued to be favourable even after the quota was increased in October 1939, because of the emergence of war demand for tea from the United Kingdom and other countries. Prices of sugar showed a pronounced upward tendency in April and May 1939, which was mainly due to the short crop of the season, and though the increased imports from Java checked this tendency in the next three months, it was resumed after the outbreak of war and was further accentuated owing to the higher basic prices fixed by the Sugar Syndicate. On the other hand, the position of the cotton textile and coal industries was not satisfactory during the five months preceding the outbreak of war. The cotton mill industry was suffering from over-production and consequently the prices of cotton manufactures declined steadily till August 1939. The improvement which came about after the outbreak of war was also not fully maintained and towards the end of the year prices fell again, with the result that the average level of prices for 1939-40 showed only a small increase over that for 1938-39. The fall in the prices of coal was also due to over-production and consequent accumulation of stocks. Prices of coal, after falling almost throughout 1938, settled themselves on a lower level for eleven months up to November 1939. The index number of coal prices in November 1939 stood at 88 as compared with 93 in November 1938 and 121 in November 1937. It improved to 93 in December and January, but fell again to 90 and remained steady at that level till the end of the year. The average level of coal prices during 1939-40 was even lower than in 1938-39. On the whole, however, prices of industrial products were on a considerably higher level than in the preceding year, and it can be seen from the above chart that in the case of some of them, a part of the rise in prices was achieved even before the outbreak of war.

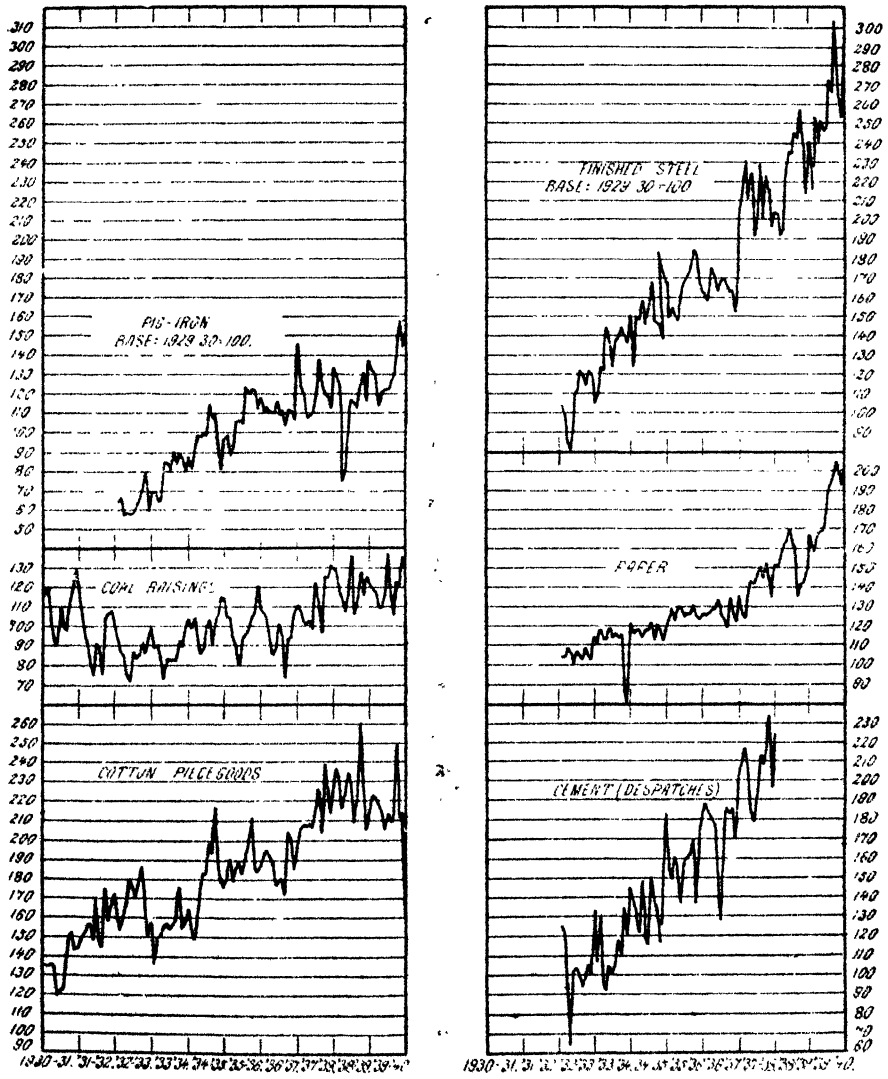
Industrial Production.—Changes in industrial production afford a good index of the state of economic activity in the country. A composite index

of industrial production has not yet been constructed for India, but an idea of the trend of production in certain important industries could be had from the following chart :—

CHART VIII.

Indices of Industrial Production in India.

[Base : 1928-29=100.]



Industrial production in India was generally maintained at a much higher level during the year under review than in the preceding year. Under the stimulus of high prices, production was expanded in most industries after

the outbreak of war. The output of jute manufactures increased by 5 per cent in 1939-40 as compared with 1938-39. The iron and steel industry was fully booked with orders resulting in a considerable increase in its output, the production of finished steel rising to 804,000 tons which was 11 per cent higher than in the preceding year. Production of paper attained a new record, amounting to 1,416,000 tons which exceeded the previous year's figure by 232,000 tons. Coal raisings increased to 25,056,000 tons, a level which was not reached during the past ten years. As a result of the larger crop of sugarcane, more than 13·70 lakhs tons of sugar of all kinds are likely to be produced in India during the 1939-40 season as compared with only 7·67 lakhs tons produced in the preceding season. The only important exception to this general trend towards expansion of output was cotton manufactures the production of which showed a decrease during the year. Owing to the record production of 1938-39, the industry was burdened with heavy stocks and had, therefore, no incentive to maintain its output at the expanded rate of the previous year. With this exception, however, it will be seen that the general tempo of industrial activity was maintained at a greatly accelerated rate during the year under review as compared with the preceding year.

Apart from the major industries mentioned above for which production statistics are available, a large number of other industries received a powerful impetus as a result of the conditions created by the war. The woollen mill and tanning industries are two important examples. The entire production of the woollen mill industry was taken over by the Government, while the exports of tanned hides and skins increased to 18·5 thousand tons during the period September 1939 to March 1940 as compared with 11·9 thousand tons in the corresponding period of the previous year—an increase of more than 50 per cent. Several articles which were never produced in India could now be produced either because their supply from abroad had completely ceased or because their prices had risen high enough to make their production economical. The work of the Supply Department of the Government of India is of great interest in this connection. This Department was set up *immediately* on the outbreak of war. Its chief function is to procure supplies necessary for the prosecution of the war which include supplies essential for firms engaged on war contracts, for the maintenance of the utility services and for concerns of national importance. The task of procuring these supplies which were enormous and of a varied character necessarily involved an intensive study of the industrial possibilities of India either for the production of new articles or for increasing the output of articles already produced. In addition to executing orders spontaneously received, the Department also did the more active work of securing orders for various kinds of articles which never figured in India's export trade before. In cases in which the industries executing these orders were handicapped by the difficulty of getting certain raw materials from the usual sources, the Department had to undertake a vigorous search for alternative sources of supply. Thus, the war has exerted a profound influence on the whole character and shape of India's trade and production. New markets have been developed and some of the existing markets expanded for both new and old products, the output of both new and old products has been increased to meet war demands and new sources of supply have been found for certain essential raw materials.

General.

During the first six months of its existence, the Supply Department handled orders to the tune of R 14½ crores. These orders covered a wide range of articles including hessian, cotton waste, a large variety of cotton and jute cloth (including water-proof covering and the newly produced cellular cloth called "Mock Leno"), cotton blankets and sheets, various products of iron and steel and engineering industries, telephone equipment, road-making plant and materials, electric fans, materials and fittings for military hospitals, field dressings, coal, cement, timber, various raw materials such as manganese ore, wool, hides, etc. and foodstuffs. The orders were received from the United Kingdom, Australia, South Africa, Ceylon, Hongkong, Malaya, Aden, Palestine and many other Empire countries and Egypt. The United Kingdom has placed an order for boots worth R 1 crore, which will require production at the rate of 125,000 pairs per month for several months. Handloom workers in villages have also had a share in these orders, since orders to the extent of 350,000 army blankets, to be supplied by the end of September 1940, have been placed with them.

In some lines of industrial production, India had already attained a high state of efficiency and was, therefore, in a position easily to meet large demands ; but in other lines, the expansion of productive capacity has come about mainly under the stimulus of war requirements. It may be interesting here to give a few examples of the various directions in which Indian industry is being expanded to take advantage of the opportunities created by the war. Preparations are being made, for example, for the manufacture of aluminium with imported alumina and for the manufacture of caustic soda, soda ash, indigenous drugs and strips for piping, though some of these projects will necessarily take some time to materialise. A second factory for manufacturing oil engines is about to come into production. The War Supply Board has sanctioned the erection of a Government plant to produce supertropical and tropical bleaching powder. Proposals for the production of aero-lubricating oils are under consideration of the Supply Department. Already aviation spirit is being manufactured from certain Indian and Burman crude oils. Efforts are also being made to develop indigenous supply of waterproof packing and wrapping paper. A new industry, started for the first time in India, is grindery which is used for the manufacture of boots. Some items of grindery, *viz.*, heel, toe and guards are now being manufactured by an Indian concern though the country is still dependent on imports for a large number of other items. It is expected that twelve important industrial chemicals for which India is at present dependent on imports are going to be produced in the country by the early months of 1941. The Department of Supply has already succeeded in interesting Indian manufacturers in indigenous production of bichromate and it is expected that a well-known Indian firm will be in a position to produce it early next year on a scale which will enable the whole of the normal Indian demand to be met. Reference has already been made above to the new product of the Indian cotton mill industry called "Mock Leno" which, it is said, can compete with the imported cellular cloth used for undergarments. Another opening for the Indian mill industry is provided by cotton canvas the production of which has increased, under the stimulus of war orders, to millions of yards per annum. As supplies of flax from Russia, the world's

chief producer, were cut off, the enormous demand for materials for waterproof coverings and water-holding stores could not be met from the usual sources. The need was, however, met by Indian canvas which serves as a substitute for flax. India has also evolved a substitute for flax from a combination of cotton and jute; the substitute is known as "cotton-jute-union fabric". The expansion of productive capacity has been most marked in those sectors of industry which supply the needs of defence. It has been stated that India now manufactures within her own borders the major portion of her war requirements. The iron and steel and engineering industries will receive a further stimulus when the project for building ships materialises. The Supply Department has recently been reorganised for an intensified effort towards co-ordinating the maximum capacity of India's steel and engineering potentialities. One more example of the recent industrial expansion is magnesite the production of which is going to be expanded shortly from 1,200 tons to 1,600 tons as a result of two more kilns being added to the five already working in Salem. It will be seen from these instances that India's productive capacity is being augmented in several directions as a result of the conditions created by the war.

It has been remarked above that the Supply Department had to take steps to ensure an adequate supply of certain essential raw materials required by Indian industries. Bleaching powder was one such raw material the shortage of which created serious apprehensions in the first few months of war. As a result of the action taken by the Supply Department, however, the shortage was considerably relieved. Similarly large quantities of sulphate of ammonia were obtained from the Continent as well as the United Kingdom. Wattle barks are indispensable for tanning; and in order that the leather industry may not be crippled by any possible shortage of these, the Supply Department has built up a reserve of wattle barks purchased from South Africa. Early in the war, a serious situation arose with regard to aluminium and copper which in peace time are required primarily for the manufacture of utensils. For both these metals India is mainly dependent on imports which were drastically reduced while the small indigenous production of copper was also requisitioned for defence purposes. The Supply Department, however, succeeded in obtaining a sufficient supply of blister copper from Rhodesia together with other materials required for the production of brass in India. Steps were also taken to collect scrap aluminium for re-rolling into sheets suitable for conversion into utensils. Owing to the control of Empire supplies of spelter, there was a possibility of supplies not being released at an early date for consumption in India. His Majesty's Government, however, promised the release of large quantities of spelter for consumption in India and also helped to obtain supplies for Indian industrial use from Mexico. As a result of such measures a great many of the difficulties experienced by Indian industries with regard to the supply of essential raw materials in the early months of the war were cleared away.

The problem of India's industrial development bristles with technical difficulties. The Government of India, therefore, set up a body called the Board of Scientific and Industrial Research. The Board is charged with the following functions, namely, to advise Government on proposals for instituting specific researches, secondly, to help specific institutions in scientific study of

problems affecting particular industries and thirdly, to make proposals for the establishment of research studentships, scholarships and fellowships. Another factor which was likely to hinder the growth of new industries was the uncertainty of the situation which might arise after the end of the war. The Government of India, therefore, announced that they were prepared to consider the question of assuring specified industries, the starting of which was considered essential under conditions created by the war, of such measure of protection against unfair competition from outside India after the war as might be necessary to enable them to continue their existence. An assurance of this kind was given to a firm anxious to re-open a factory for the manufacture of a certain type of steel pipes and tubes.

Industrial Disputes.—In the absence of wage and unemployment statistics, an idea of the labour situation can be had from the statistics of industrial disputes. The following table gives the number of disputes, the men involved and the working days lost in India from 1928 :

Year	No. of disputes	Men involved	Working days lost
1928	203	507,000	31,647,000
1929	141	531,000	12,166,000
1930	148	196,000	2,262,000
1931	166	203,000	2,408,000
1932	118	128,000	1,922,000
1933	146	165,000	2,169,000
1934	159	221,000	4,776,000
1935	145	114,000	973,000
1936	157	169,000	2,358,000
1937	379	648,000	8,982,000
1938	399	401,000	9,199,000
1939	406	409,000	4,993,000

The total number of strikes during 1939 was 406, the highest figure on record for many years. The number of men involved was also higher than in the preceding year, being 409,000 as compared with 401,000 in 1938. The number of working days lost was however, considerably less, being 4,993,000 as compared with 9,199,000 in 1938. The two industries to suffer most from strikes were cotton and jute. They accounted for 43·5 per cent of the strikes, 68·8 per cent of the workers involved and 49·2 per cent of the loss of working days. In 234 disputes, the chief demand related to wages or bonuses. The rise in the cost of living after the outbreak of war aggravated the labour unrest, and was responsible for a widespread agitation for dearness allowance. Towards the end of the year, the cotton mill industry in Bombay was

involved in a general strike which continued from the 4th March to the 13th April 1940. On the whole, the labour situation in India showed a distinct deterioration during the year under review.

Cotton Mill Industry.—During the five months preceding the outbreak of war, the cotton mill industry in India appeared to be heading towards a major crisis. With the prices of both yarn and piecegoods sagging continuously and stocks piling up month by month, the industry had fallen into a malaise from which only the outbreak of war could rescue it easily. A state of over-production with all its characteristic features had developed in the industry. In spite of the efforts of individual mills to curtail output by closing down night shifts, the total production of cotton manufactures was still maintained at a fairly high level. As against this, the home market was rapidly shrinking. The purchasing power of the agricultural classes, who are the main consumers of cotton manufactures, had fallen. And of this already shrunken market, a not inconsiderable share was captured by Japan. Since May 1938, the Indian mill industry again had to face severe competition with Japanese imports and the severity of the competition was felt not merely on account of the magnitude of the imports but also at the prices at which they were offered. The same Sino-Japanese war which in its initial stages had greatly hampered the export trade of Japan now provided a strong incentive to her to inaugurate an export drive in all Eastern markets in order to increase her supply of foreign exchange. In the meanwhile, a new competitor entered the Indian market—or rather an old competitor in a new guise. The imports of yarn and piecegoods from China, which were very small in the last few years, suddenly assumed large proportions during the year under review. It was suspected that the Japanese mills in the Japanese-controlled China were taking advantage of the absence of a quota arrangement between China and India to push forward their export trade with India through that channel. The collapse of the Chinese dollar further assisted this dumping of Chinese goods in the Indian market. The export trade also was not faring quite satisfactorily. Exports of cotton piecegoods from India in 1939-40, though higher than in the preceding year, were considerably reduced as compared with 1937-38. These amounted to 78 million yards during the first five months of 1939-40 as compared with 75 million yards and 108 million yards during the corresponding months of 1938-39 and 1937-38 respectively. The total exports for 1939-40 amounted to 221·4 million yards as compared with 177 million yards and 241 million yards in 1938-39 and 1937-38 respectively. The introduction of an export subsidy on cotton in the United States further added to the complexity of the situation, though it is a matter of considerable doubt to what extent it gave a competitive advantage to the foreign manufacturer. An important handicap for the export trade was the high protective tariff imposed by one of the important customers of the Indian cotton mill industry, namely, Egypt. In April 1938, the Egyptian Government enhanced the duties on cotton manufactures and this had a devastating effect on the imports of Indian cotton manufactures into that country. In 1937-38, Egypt took nearly 23·5 million yards of cotton piecegoods from India; in 1938-39, this figure fell to 3·1 million yards and in 1939-40 to 1·7 million yards. The Indian mill industry had to face this combination of adverse circumstances at a

time when its competitive strength was seriously impaired by a steep rise in its cost of production. Wage increases which were granted early in 1938 had now become onerous. The tax burden on the industry had also increased owing to the imposition of the Property tax in Bombay. In contrast with this rising trend of costs, the prices of cotton manufactures were falling during the first five months of 1939-40. In short, a few days before the war broke out, the cotton mill industry of India was passing through a phase of acute depression. At this juncture, the Bombay Millowners' Association suggested a scheme for restricting production on an all-India basis, but the scheme failed to commend itself to certain sections of the industry who were placed in a slightly different position. The proposal, therefore, was on the brink of failure when the war broke out and the entire situation assumed a new aspect.

For an industry which had fallen into such a dull and inactive state the outbreak of war in Europe meant the infusion of a new life. Prices rose rapidly and clearances became quicker than before. There was intense speculative activity in all piecegoods markets and in the initial stage of panic, consumers also attempted to lay up stocks. During the first four months of war the index number of wholesale prices of piecegoods rose by successive stages till it reached its peak in December 1939. Subsequently, however, prices declined, because with the recession in commodity prices which set in from January 1940, the demand for piecegoods became sluggish. The index number (1928-29=100) which was 59 in April 1939 as compared with 61 a year before fell further to 57 in August, but rose to 61 in September, to 63 in November and 75 in December. Thereafter it steadily declined reaching the level of 68 in March 1940. The average index number for the year was 63 as compared with 61 for the preceding year. The war affected the position of the mill industry in several ways. In the first place, imports of foreign cloth were reduced and to that extent foreign competition became less severe. Exports of Indian cotton manufactures to Eastern markets which could no longer obtain their normal supplies from Lancashire, received a fillip. The mills received large orders from the Government for supply of various kinds of military requirements and it was expected that with the improvement in commodity prices private demand for cotton goods would also increase. It must be added that the war also produced certain adverse effects on the cost of production of the industry. There was a rise in the prices of certain essential materials such as bleaching powder and dyestuffs, owing to the failure of imports for some time. The position subsequently improved as arrangements were made to obtain an adequate supply of such materials from alternative sources. More important than this was the growth of labour discontent, due to the rise in the cost of living in the last four months of the war, which led to the declaration of a general strike in Bombay. Strenuous efforts were made to settle the dispute by conciliation. A Committee of Enquiry was appointed by the Government of Bombay which recommended that with effect from the 1st December 1939 a dearness allowance of 2 annas per day should be given to all employees drawing less than R150 per mensem to cover the variations in the official cost of living index figure between 105 and 123. They also recommended the establishment of cost price grain shops by the mills and added that in the

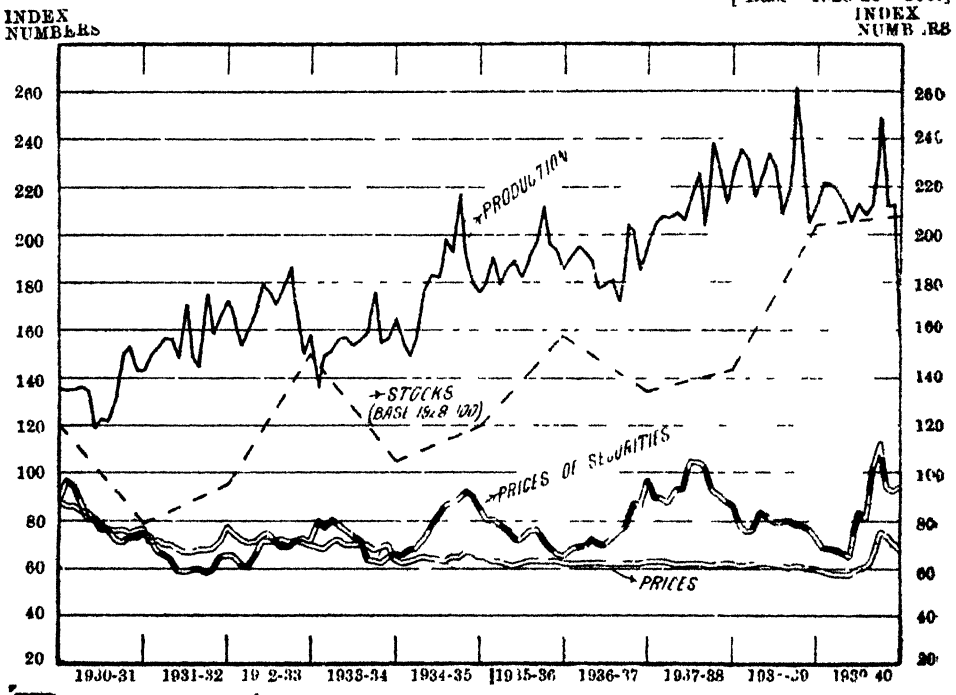
event of the index number falling outside the limit of 123 for any period of three consecutive months, further adjustments in the cash allowance would be necessary. The workers, however. insisted on their demands and went on strike from the 4th March 1940. Nearly 160,000 workers were involved and 51 mills were rendered idle. The strike, however, fizzled out owing to the firm attitude of employers and mills re-opened from the 13th April onwards. The increase in wages recommended by the Committee was granted, which meant a further rise in the cost of production of the industry. Thus, the end of the year did not find the industry in a very happy state, because, on the one hand, the internal demand for piecegoods had slackened and prices were falling, and on the other, the costs of production both on account of wages and materials had increased.

These *three* phases of the industry, depression up to August 1939, recovery from September to December 1939 and a period of difficult adjustments from January to March 1940 are clearly brought out in the following chart :—

CHART IX.

Cotton Manufactures.

[Base : 1928 29=100.]



It will be seen that the production of cotton piecegoods showed a steadily declining trend from April to August 1939. This, as said above, was due to voluntary efforts of mills to restrict production by closing down night shifts. The reduction was, however, not adequate to meet the situation and consequently the industry continued to be depressed. Prices remained on a low level during this period, while the prices of cotton shares which reflect the market view of the position of the industry also deteriorated. In August 1939, the index number of cotton shares (1928-29=100) stood as low as 65 as

against 82 a year before which by itself was a low figure as compared with the highest point of 105 reached in September 1937. With the outbreak of war, however, the position changed in every respect. Production showed a rising tendency in the next few months, the total for 1939-40 being 4,013 million yards, though it was still considerably less than in the preceding year when it amounted to 4,269 million yards. The average index of monthly production (1928-29=100) was 212 in 1939-40 as compared with 225 in 1938-39. Prices of piecegoods also improved, thus showing the increased demand caused by war conditions. The war also reversed the trend of cotton shares which began to rise from September onwards. By December 1939, the index number attained the level of 112, thus exceeding the previous peak of September 1937. From the beginning of 1940, however, the demand for piecegoods slackened and prices came down. Simultaneously the labour situation worsened and the industry had to pay higher wages. It will be seen that the share market also no longer took so optimistic a view of the future of the industry as it did in December 1939. The index number of cotton shares fell sharply from 112 in December 1939 to 93 in January 1940, at which level it continued, with slight fluctuations, till the end of the year. The industry was, however, able to tide over this short period of difficulty, because with the cessation of the general strike in April, conditions again showed signs of unprovement.

The profit figures usually tell the story of a year preceding the one in which they are declared. In 1938 the cotton mill industry was able to declare the highest profits in recent years the chain index (1928=100) rising to 210 in that year. This was due to the exceptionally favourable conditions which the industry enjoyed in 1937-38 due to the increased demand for its products and the weakening of Japanese competition. In the following year, both these trends were reversed and the industry had to face a combination of adverse factors such as over-production, fall in prices revival of foreign competition and rise in costs. Consequently, the profit margin of the industry was reduced and the index number of profits fell to 164 (a provisional figure) which was still considerably higher than that for any year other than 1938.

Cotton Mill Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index. [Base, 1928=100]
1928	58	1,23,02	..	100·0
1929	58	1,21,97	1,23,02	99·1
1930	58	46,68	1,21,97	37·9
1931	58	64,63	46,68	52·5
1932	58	1,01,85	64,63	82·8
1933	58	41,74	1,01,85	33·9
1934	58	1,10,85	41,74	90·1
1935	59	1,07,63	1,08,95	89·0
1936	59*	1,17,90	1,06,46	98·8
1937	59	1,64,57	1,17,90	137·9
1938	57	2,49,81	1,63,82	210·3
1939	29	1,22,16	1,56,19	164·5

* Companies are not the same as in the preceding year.

General.

The price index used for the chart on (page 42) is defective in one respect in that it contains too many quotations for imported varieties of cotton manufactures, but no better series is available from 1928-29. A more representative selection of cotton manufactures was secured for both indigenous and imported varieties for a special index number compiled in the Statistical Research Branch, which is given below.

Index Numbers of prices of Cotton Manufactures in India at the end of each month.

Base : September 19, 1931=100.

	1937-38.	1938 39.	1939-40.	1940-41.
April	96	95	89	105
May	96	95	88	103
June	96	94	88	..
July	96	93	87	
August	98	93	88	
September	98	93	92	..
October	98	93	92	..
November	97	92	95	..
December	96	92	116	..
January	96	91	108	..
February	96	91	106	..
March	96	90	105	..

It will be seen that this index shows the same trend as the other index, though in a more accentuated form.

In the last year's Review, a detailed account was given of the cotton clause of the Indo-British Trade Agreement, 1939, the tariff changes under which were introduced from April 1, 1939. Under this clause a sliding scale of duties is fixed for cotton piecegoods of the United Kingdom origin which is linked up on the one hand with the exports of Indian cotton to the United Kingdom and on the other with the imports of cotton piecegoods from the United Kingdom into India. Owing to the abnormal conditions prevailing during the year under review, imports of piecegoods from the United Kingdom failed to come up to the minimum figure of 350 million yards laid down in the Agreement. The Agreement provides that under such

circumstances, the duties charged after the end of that year and until the end of any cotton piecegoods year in which such imports exceed 425 million yards are to be reduced still further by 2½ per cent *ad valorem* with a proportionate reduction in the specific duty on grey piecegoods. The Government of India, therefore, effected the reduction by a Notification issued on the 16th April 1940.

Jute Mill Industry.—The year 1939 will probably rank as one of the most eventful years in the history of the jute industry. After a series of bad years the premier industry of Bengal emerged on a high plane of prosperity in 1939. The achievements of the industry in that year will be memorable by contrast with the utter misery which it had brought upon itself in the previous year. Over-production, falling prices and an alarming accumulation of stocks had brought the industry to the verge of a financial crisis and yet owing to internal differences it was unable for a considerable length of time to take the only step which could possibly save it from disaster namely, restriction of output. In September 1938, the Government of Bengal promulgated an Ordinance enforcing a restriction of working hours and that served to check the rot for some time. It was not, however, till January 1939 when the mills were able to announce the voluntary Working Hours Agreement that the industry could really be said to have turned the corner. The Agreement constitutes an important landmark in the history of the industry, because it removed the two principal causes which were at the root of the industry's troubles, namely, the lack of internal organisation and the absence of a suitable machinery for adjusting output to demand For the first time all the mills in Bengal with one exception and some outside Bengal were brought into the fold of the Indian Jute Mills Association and an elaborate machinery was set up for regulating output. The details of the Agreement were given in the last year's Review and need not be repeated here. Suffice it to say that the Agreement has placed the industry on a more stable foundation than any legislative measure could have ever done.

It must be added, however, that although the Working Hours Agreement played a great part in the recovery of the industry, it could not by itself have generated the boom conditions which were witnessed in the early months of the year under review. The credit for that development must primarily go to the huge order for 200 million sandbags which was received from the British Government in February 1939. It was this order which first brought home to the industry the part it might be called upon to play in case war broke out. The order was received at a time when the restriction of working hours to 45 per week having proved inadequate, stocks were accumulating and the mills were thinking of a further measure of restriction. The receipt of the order changed the entire outlook Great expectations were raised about the prospects of the industry, and prices rose by leaps and bounds. Much of this rise in prices was purely anticipatory in character and took no account of the fact that the stock position of the mills had continued to be heavy and though the first sandbag order had

eased it to some extent, it was bound to get out of gear if further orders were not received in time. Besides, the high prices checked private consumption. Actually, by the end of July, when the first sandbag order was nearing completion, the stock position again became unbearable and the mills decided to close down twenty per cent of hessian looms and seven and a half per cent of sacking looms. Subsequently, however, at the request of the Government of Bengal the mills modified the decision and reduced the working hours from 45 to 40 per week. The reduction came into effect from the 31st July 1939.

The new working arrangements were destined to be shortlived. The outbreak of war at the beginning of September created a feverish demand for all kinds of jute goods and the industry had soon to take off the various restrictions one after another to make the productive machine go ahead with the requisite speed. It is interesting to see how quickly the scene changed. The first few months of the war were crowded with events for the jute industry. In September 1939 the second order for sandbags was received and it was decided to unseal all looms and to increase the hours of work from 40 to 45 per week. Within a week or two another order followed and then in November came the largest order of all, 500 million to be delivered by April 1940. With all these orders to cope with, the industry had to accelerate its rate of output and even an increase of working hours to 54 per week, which is the maximum allowed under the Factory Act, proved insufficient. The Government had, therefore, to relax certain provisions of the Factory Act by issuing an Ordinance to permit the mills to increase the hours to 60 per week. This was the antithesis of the working hours agreement and showed the extent to which the position of the industry had changed as a result of war conditions. While the mills were trying to fulfil their commitments, the labour force had to be kept contented and the mills, therefore, decided to grant an increase of 10 per cent in wages with effect from the 10th November.

The reaction of all these developments on market psychology was anything but healthy. The markets behaved as if the war had ushered in the millennium for the jute industry For a time, both raw and manufactured jute came in for aggressive buying and by the first fortnight of December prices reached the most spectacular heights ever witnessed in the recent history of the industry. Speculation was rampant in the jute markets and in their desire for immediate gain speculators paid no heed to the reactions which the high prices for jute were bound to produce on the ultimate demand for the commodity. Jute can hold its monopoly in the world market only so long as it is a comparatively cheap packing material, as there are a number of substitutes which can replace jute if its price rises above a certain limit. Actually, the fantastic prices quoted for jute and jute products had a damping effect on the demand for them. The use of substitutes in such large consuming countries as the United States was encouraged and even within the country a section of the cotton textile industry got busy trying to produce a kind of cotton bag which could effectively compete with jute sandbags at the prices then prevailing for jute and cotton. The

speculation in jute markets had, moreover, a demoralising effect on almost all other important markets in India, because the speculators who made or expected to make fabulous profits in jute simultaneously indulged in forward buying of other commodities and thus provoked a boom in them. The jute markets had based their calculations on a continuous stream of sandbag orders, but very soon there were signs that their calculations had been too optimistic. On the 23rd January 1940, came the news that the British Government had decided to postpone the date for the delivery of the outstanding portion of the sandbag orders from the 30th April to the 31st August. At a time when private demand had fallen to a low ebb and the whole edifice of jute prices was being supported on hopes of further Government orders, the announcement of this decision to postpone the delivery of existing orders caused great disappointment. Prices began to tumble down from this time onwards. Shortly after this event, the Government of India announced the Excess Profits Tax Bill and this announcement was followed by a further confusion in the market. Private demand continued to be much below expectations and reports from North America spoke of a progressive decrease in the consumption of hessians in that area since the beginning of the new year. As a consequence of all these factors, the prices of jute manufactures fell precipitously from January 1940. Stocks of jute manufactures began to accumulate in the hands of mills and the Indian Jute Mills Association decided to curtail the working hours again from 60 to 54 per week with effect from the 8th April. This decision should have normally had the effect of supporting the market, but actually it depressed it still further, because by the end of March the stock position had become so heavy that a reduction in hours by ten per cent was regarded by many as inadequate to meet the situation. In March a Government order for 9 million yards of hessian cloth 40"/10½oz. for delivery by the 15th April and 43 million yards 40"/8oz. for delivery from the 15th April to the 15th June, was received but this had only a temporary effect on the market and prices declined again.

Thus, the close of the year, 1939-40, saw the jute industry in a comparatively depressed state. There is no doubt that the recent setback has served to inspire a spirit of caution and has on the whole given the industry a more subdued outlook than that of the earlier months. It is possible, however, that like the initial optimism the present pessimism also is overdone. The high prices which prevailed in the middle of December 1939 may not perhaps be repeated in the near future, nor is their repetition desirable because they are likely to cause permanent damage to the industry by encouraging substitutes. Nevertheless, the industry is now in a better position to meet changing circumstances mainly because of the machinery which it possesses for meeting fluctuations in demand. The recent extension of the enemy occupied territory no doubt means a loss of a number of markets, but the loss is not as serious in the case of jute manufactures as in the case of raw jute. The markets which are now closed to the industry accounted for only a small proportion of the total export trade in jute manufactures though, of course, the extent to which the loss can be easily made up by increased exports in other directions depends on the availability of shipping facilities.

General.

It has been remarked above that the year 1939 was a prosperous one for the jute industry. The following table which gives the profit figures of the industry confirms this view :

Jute Mill Industry.

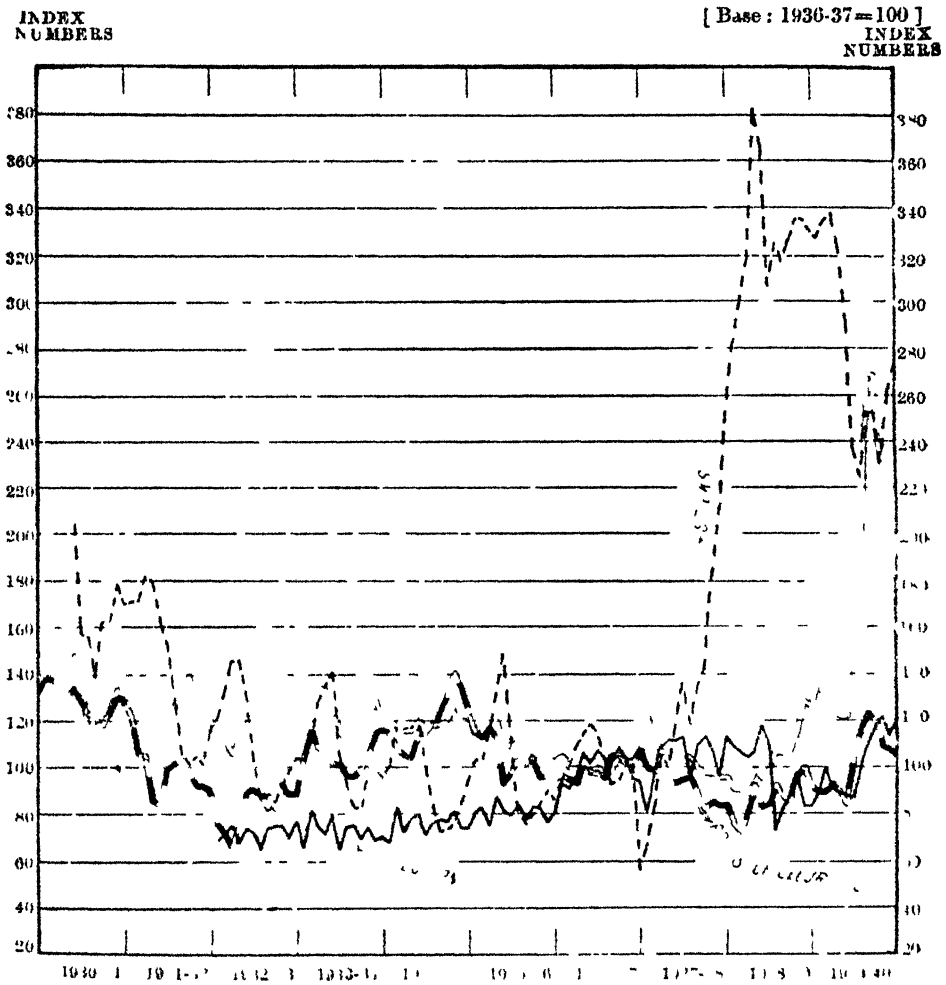
Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	47	7,69,30	..	100·0
1929	47	6,58,17	7,69,30	85·6
1930	47	2,91,50	6,58,17	37 9
1931	49	68,60	2,99,90	8·7
1932	50	1,02,84	70,49	12 6
1933	52	1,61 92	1,03,66	19·8
1934	53	2 86,70	1,64,71	34·4
1935	53	3,31,99	2,86,70	39·8
1936	53	2,15,70	3,31,99	25·9
1937	56	94,57	2,19,62	11 1
1938	59	- 87 45	96,00	- 10·1
1939	54	1,40,51	—71,19	20·0

In 1938, the balance-sheets of fifty-nine jute companies disclosed a total loss of R 87 lakhs as against a profit of R 96 lakhs declared by the same companies in the preceding year. The index number for that year was thus a *minus* figure, being *minus* ten. In 1939, the position changed completely. Profit figures for 1939 are available for 54 companies, but the number is large enough to be representative of the industry. It would appear that these companies were able to declare a profit of R140 lakhs in 1939 as against a loss of R71 lakhs in 1938. This shows the remarkable improvement in the position of the industry during 1939. These figures, however, do not fully reflect the effects of the boom conditions which developed in the latter half of the year under review. For a fuller appreciation of the

events during that period, the trends of production, prices, stocks and shares have to be examined. The following chart shows these trends at a glance :

CHART X.

Jute Manufactures.



Production of jute manufacture during the first six months of 1939-40 was considerably lower than in the corresponding period of 1938-39. This was so, because, as stated above, the latter period was one of unchecked overproduction. From October 1939 as a result of the removal of the restrictions on output, production began to increase rapidly till it reached its highest level in January 1940. The rate of output in that month was the highest ever attained for many years past. Production continued to be high in the next two months, though at a slightly lower level. The figures of stocks and prices provide an indication of how far the rate of output was justified by current demand. During the first four months of the year,

stocks had continued to be heavy in spite of the restriction of output. From the 31st July 1939, therefore, the mills decided to curtail production further by restricting the hours to 40 per week and this had a salutary effect on the stock position. In October, stocks showed a further reduction, in spite of the increase in output, because consumption was running ahead of production. In November and December, however, there was an increase in stocks due partly to the fall in private demand and partly to shipping difficulties. A slight improvement in the shipping situation led to a reduction in stocks in January 1940, but with the slowing down of sandbag deliveries from February, stocks again resumed the rising tendency. Prices of jute manufactures from April to August 1939 clearly showed the bearish effect of the stock position, the index number (1928-29=100) falling from 136 to 122. From September prices began to rise and by December the index number stood at 268 which was 120 per cent above the pre-war level. A sharp reaction set in from January which brought the index down to 180 at the close of the year. The movements in share prices were more or less parallel to those in the prices of jute manufactures except that the index number of the former reached its maximum in November 1939. Between March 1939 and March 1940 prices of jute shares recorded a rise of 14 per cent which may be taken as a rough measure of the extent to which the share markets believed the prospects of the industry to have improved during the year

Tea.—The following table gives the profits of the tea industry with their chain index number since 1928 :—

Tea Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	130	98,85	..	100·0
1929	130	59,15	98,85	59·8
1930	.30	14,75	59,15	14·9
1931	131	—19,09	14,37	—19·8
1932	132	—1,02	—19,00	—1·1
1933	133	99,70	—1,13	93·9
1934	134	53,55	1,00,21	50·2
1935	135	68,38	54,07	63·5
1936	132	76,00	68,10	70·8
1937	130	1,16,18	75,87	108·4
1938	128	78,01	1,15,74	73·1
1939†	..	..	..	..

† Figures not available.

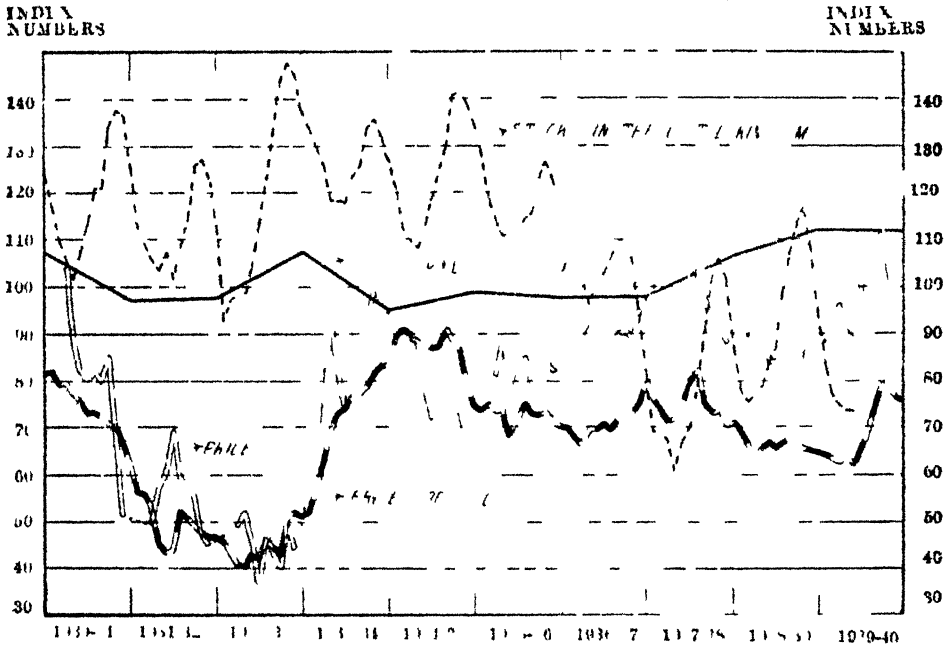
General.

The profit figures for a sufficiently large number of tea companies for 1939 are not yet available and the profits chain index of the tea industry for 1939 cannot, therefore, be worked out In recent years 1937 was a prosperous one for the tea industry, but the prosperity was not maintained in 1938, and consequently the profits of the industry were considerably reduced during the year, the index number falling from 108 to 73 or approximately by 32 per cent The year under review saw the tide turning again and it is expected that the results of the working of 1939 may be better than those of the preceding year The following chart supports this view —

CHART XI.

Tea.

[Base 1928-29=100.]



Since the introduction of the International Restriction Scheme in 1933, the production of tea is controlled year by year with due regard to the export demand and the needs of internal consumption The industry has, consequently, been able to enjoy more stable conditions than would otherwise have been possible in the circumstances of the last six years During the 1939 season, the industry was placed in a favourable position on the world market owing to the combined effects of a restriction of supply and an increase in demand The export quota for 1939-40 was fixed in the first instance at a reduced figure of 90 per cent of the standard exports as compared with 92½ per cent in the previous season and this combined with the rising tendency of world consumption resulted in a marked decline in stocks in principal markets during the first five months of 1939-40 The world outlook for tea was therefore, favourable during the year under review and consequently the export market generally evinced a steady tone even before the

outbreak of war except in the month of July when an unfortunate dispute in London concerning a large quantity of tea upset the even tenor of the market. The export season of 1939 began with an innovation; the first sale was held on the 15th May instead of in the first week of June, the object being to expedite shipments of early teas to outmarkets. From the opening sale till the end of August, offerings met with keen competition and prices ruled steady. The price of tea with export rights was 10 as. 11 ps. per lb. at the end of June 1939; it fell to 10 as. 5 ps. in the next month and 10 as. 3 ps. in August, but still maintained itself on an average at a higher level than in the corresponding months of any year since 1933-34, except 1937-38.

The outbreak of war gave rise to entirely new conditions. In the United Kingdom, the entire tea trade passed under the control of the Government. It was announced that the Government had requisitioned all the bonded stock in that country and the quantities that might be subsequently imported. The London auctions were suspended indefinitely, and the re-export trade was closed for some time. So far as Indian tea was concerned, the Minister of Food announced his decision to enter into short-term contracts with the producers for the supply of tea to the United Kingdom for the rest of the year. A Tea Controller for India was appointed to administer the emergency tea control scheme. The selling prices were fixed on the basis of the market prices ruling in London during the period from 21st to 25th August. This basis was satisfactory to the trade, because, as has been remarked above, the market was fairly firm even before the outbreak of war. The export sales in India were suspended from the 26th September to the 16th October to allow a thorough examination of the situation. When the sales were resumed, they were restricted to 25,000 chests a week. Subsequently, it was announced that the Tea Controller for India would require 85 per cent of the export quota at the credit of individual estates as at the 15th September, together with a similar percentage of any subsequent allotments. Early in October, the International Tea Committee increased the export quota for 1939-40 from 90 to 95 per cent of standard exports.

Prices of tea assumed a marked rising trend after the outbreak of war. As the re-exports from London were suspended, the orders from out-markets were diverted to Calcutta where there was naturally a keen competition at the weekly auctions. Both America and the Colonies carried only light stocks on the eve of the war; and they hastened to replenish them. In addition Iranian interests were very active. Moreover, the depreciation of sterling reacted unfavourably against Java tea and some of the markets which were supplied by Java transferred a large part of their demand to Indian tea. Consequently, there was a strong demand for all kinds of tea (except Flaky brokens and Fannings which are chiefly favoured by the United Kingdom), the demand for good liquoring teas being the best for many years. Prices showed a steep advance till they reached their peak at the beginning of December. The price of tea with export rights which was 10 as. 3 ps. in the last week of August rose to 12 as. 10 ps. in the first week of December. By the middle of January, however, prices began to sag and continued falling till the end of the season when pre-war levels were reached. The quotation at the end of February 1940 was only 10 as. 6 ps. This sharp reversal of prices was partly due to a slackening of demand

from out-markets which had then filled their requirements and partly to the fact that the available supplies proved to be larger than had been anticipated. Nevertheless, the average auction price for the season worked out to 11 as. 5 ps. as compared with 9 as. 7 ps. in 1938-39 and was also higher than in any season since 1929-30.

The internal market fluctuated widely during the year under review. A peculiar feature of this market was the uneven distribution of offerings over the season. There was a relative scarcity of all grades except Dusts during the first half of the season, while in the second half large quantities came forward. Despite the smallness of supplies in the earlier period, however, demand was hesitant and hence prices remained at a low level. The price of tea for internal consumption at the end of June was 4 as. 6 ps. per lb.; it declined to 4 as. 3 ps. in the next month and improved slightly thereafter and was quoted at 4 as. 5 ps. at the close of September. The internal market was extremely sensitive to the prospects of export trade and this was natural because the industry is dependent on the export trade to the extent of more than 80 per cent of its production. The immediate effect of the war on the internal market was, therefore, highly depressing owing to fears of a dislocation of the export trade and the consequent glut of tea for internal consumption. Subsequently, however, when it was known that the export quota was going to be increased to 95 per cent prices recovered, because it was felt that the extra release might lead to a shortage of tea for the Indian market unless extra crop could be produced during the remainder of the season, which appeared unlikely at the time. Besides, the supplies in the market were also meagre. By the middle of December the price rose to 5 as. 3 ps. as compared with 4 as. 1 ps. in August. Eventually the necessary additional crop was produced and the internal market was fully supplied with its requirements. Prices therefore, gradually came down. By the middle of January 1940, the downward tendency became precipitous as the export market also fell heavily at the time. At the end of the season, prices fell below their pre-war level. The closing quotation of the season was 3 as. 6 ps. Nevertheless, the average price for the season was higher at 4 as. 4 ps. as compared with 4 as. in 1938-39.

Considering the state of the market both for export and internal consumption, it is clear that the tea industry enjoyed satisfactory conditions during the year under review. This improvement in the position of the industry was clearly reflected in the price index of tea shares which recorded an increase of 11 per cent between March 1939 and March 1940. During the first five months of the year, prices of tea shares showed a sagging tendency, the index number (1928-29 =100) coming down from 64 in April to 62 in August. The uncertainties of the political situation and fears of a possible dislocation of export trade in the event of war were mainly responsible for this fall in share prices. These fears were soon set at rest and prices began to advance, particularly after the announcement of the short-term contract with the United Kingdom which followed shortly after the outbreak of war. In December 1939, the index number rose to 79, its highest level during the year. From January 1940, the fall in the prices of tea and the general recession in the prices of all scrips on the stock exchange caused a sympathetic decline in tea shares also but it was not so precipitous as in the

case of other shares, which showed that the market still viewed the prospects of the industry with confidence. In March 1940, the index of share prices stood at 76 which, as said above, was 11 per cent higher than the figure for March 1939.

Production of tea in the 1939 season was estimated at 452 million lbs., which was the same as the revised figure for the previous season. It will be recalled that the International Committee had reduced the export quota to 90 per cent of the standard exports for 1939-40 but in October 1939, the quota was raised to 95 per cent in view of the increased demand created by the war. The quota for the next season was also kept unchanged at 95 per cent. This came as a surprise to the market as a higher quota was expected, but it must be remembered that the quota was the highest ever fixed since the introduction of the restriction scheme in 1933.

The short-term contract between the Ministry of Food in London and the tea producers in India which has been referred to above was only for the remainder of the 1939 season. A new long-term contract has been concluded for the 1940 season. Under this contract, out of the total quantity of 364 million pounds which India is allowed to export during 1940-41, being 95 per cent of her standard exports, the Ministry of Food will purchase 323 million lbs., of which 269 million lbs. will be supplied by North Indian plantations and 54 million lbs. by South Indian plantations. The contract provides for the re-export of 30 million lbs. to out-markets from the United Kingdom from the 323 million lbs. to be delivered from India. This will leave an amount of 41 million lbs. in India for direct export to out markets. An important feature of the long-term contract is that a contracting estate or agency house must deliver teas equivalent to 90 per cent of its export quota and nothing less will be accepted. As regards the price to be paid by the United Kingdom, it is separately fixed for each contracting estate, being based on the average price obtained for teas sold in the United Kingdom and sold for export in India during the three years 1936, 1937 and 1938 *plus* an allowance of 1*d*. per lb. in respect of increased costs of production. The contract was found to be satisfactory by the interests concerned. Subsequently, in June 1940, the International Tea Committee reduced the export quota for 1940-41 from 95 to 90 per cent for all participating countries. As a result, India's tea export allotment for the year was correspondingly reduced from 364 to 345 million lbs. An ordinance amending the Indian Tea Control Act, 1938 was passed on the 6th August 1940 giving effect to the reduced export allotment. The quantity of tea which the Ministry of Food decided to purchase from India for 1940 remains unchanged and the reduction in export quota, therefore, affects only the quantity of tea available to out-markets. The internal quota for 1940-41 was kept unchanged at 15 per cent of the best crop basis, representing 73·8 million lbs. The industry proposes to keep the internal quota unchanged at this level until, as the Chairman of the Indian Tea Association stated at the Annual Meeting held on the 29th March 1940, "increasing consumption in India results in prices reaching levels which justify increased releases being made."

Coal.—The fortunes of the coal industry are considerably influenced by the ebb and flow of general industrial activity in the country. In recent years, 1937-38 stands out as one of the peak periods for the coal industry,

both prices and profits being at a high level in that year. This was so, partly because the general trade and industry were also in a prosperous state during that period. But this temporary wave of prosperity began to recede in the closing months of 1938-39, and the first five months of 1939-40 saw the industry suffering from a rather severe relapse. The recession in certain major industries in the country resulted in a slackening of demand for coal and stocks began to accumulate at the pit-heads. With the outbreak of war, however, the outlook again brightened; demand for coal became brisk, and the surplus stocks accumulated at the collieries moved easily into consumption. Had it not been for the wagon shortage which became more acute this year, after January 1940, owing to the increased traffic thrown on the railways after the declaration of war, the off-take of coal from the coal fields would have continued to be brisk to the end of the year under review. Unfortunately, owing to the wagon shortage, stocks began to accumulate again from the beginning of 1940 and prices also came down very nearly to the level prevailing before the outbreak of war. On the whole, however, the general acceleration of industrial activity in the country and the satisfactory prospects for the export trade have created favourable conditions for the coal industry. The following table shows the profit figures for the coal industry for the last twelve years:—

Coal Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928 = 100]
1928	58	80,47	..	100·0
1929	58	79,16	80,47	98·4
1930	58	98,24	79,16	122·1
1931	62	77,16	1,03,33	91·2
1932	63	63,59	77,25	75·0
1933	64	50,98	63,45	60·3
1934	64	50,48	50,98	59·7
1935	62	54,29	50,79	63·8
1936	61	53,05	54,16	62·5
1937	59	60,86	52,88	71·6
1938	55	1,17,81	63,17	134·1
1939	25	43,57	41,07	142·3

The profits declared in 1938 related to the working of the industry in 1937-38. It will be seen that they were then the highest on record for more than ten years. Complete figures for 1939 are not yet available, but the accounts of 25 companies which are published, show that they were able to declare even higher profits in 1939 than in 1938. This shows that the favourable conditions which the industry enjoyed in 1937-38 were maintained during the major part of 1938-39. It must be remembered, however, that the improvement in the position of the industry which came about after

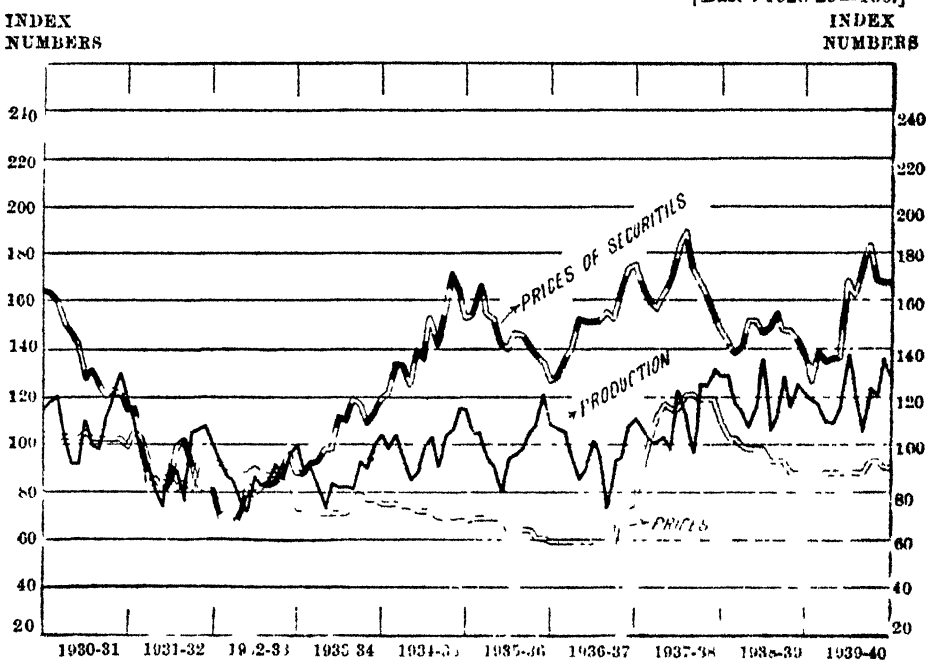
General.

September 1939 will be fully reflected only in the profit figures for 1940 For the present, the impact of war conditions on the coal industry has to be measured by other indicators which are shown in the chart below.

CHART XII.

Coal.

[Base : 1928-29=100.]



The prices of ordinary shares provide a good index of the prospects of the industry. Coal shares were, on an average, on a much higher level in 1939-40 than in the preceding year. The last four months of 1938-39 saw a more or less steady depreciation of share values, with the index number (1928-29=100) falling from 151 in November 1938 to 137 in March 1939. The depression continued in the first five months of 1939-40 during which the prices of shares fluctuated round the low level reached in March 1939. In September, however, the market vigorously responded to war conditions and on the strength of highly optimistic expectations regarding the prospects of the industry, the shares were pushed up to high levels. The index number climbed up to 183 or nearly 34 per cent above the pre-war level. Then came the relapse and under the depressing influence of transport difficulties and the general decelleration of activity noticeable in the case of other industries, the quotations for coal shares were marked down again, the index number for March 1940 being 168. In spite of this set-back, however, the prices of coal shares revealed a net gain of 22 per cent over the twelve months between March 1939 and March 1940. As regards other factors affecting the position of the industry, it is interesting to observe that the prices of coal did not show a satisfactory trend. The previous year had been one of declining prices, and the low levels reached in that year continued during the major part of the year under review. The quotation for Jheria No. 1 which was R3-6-0 per

ton from October 1938 to March 1939 continued at that level throughout 1939-40, while that for Desherghur remained at R4-8-0 per ton from January to November 1939. It rose to R5 in December 1939 and January 1940, but eased off again to R4-12-0 in February at which level it continued till the end of the year. The average index number of coal prices for 1939-40 worked out to 89 as against 95 for the previous year. The tenders for the supply of coal to the State Railways for the year 1939-40 were submitted in November 1938 when the industry was in the midst of a severe recession and consequently, the tenders showed a sharp fall in prices. The 1940-41 tenders, however, which were submitted in November 1939 when the trade was in a more optimistic mood revealed an average increase of 4 to 6 annas per ton on the 1939-40 tendered prices. A notable feature of the price situation was the wide disparity between good quality coals and the poor varieties. The disparity was due to the fact that the prices of better class coal were supported by the improved demand for export of coal of this quality, while the poorer qualities lacked such support.

The fall in the prices of coal during the last two years is accounted for partly by intense internal competition among producers and partly by the continuous increase in output since 1936-37. The production of coal in India in 1939-40 reached the record level of 25 million tons as against 24·8 million tons in the preceding year. It is felt in some quarters that the present rate of production is probably in excess of the country's normal requirements. Fortunately, the export demand for coal was very satisfactory. During the last three years, Indian coal has made remarkable headway in Ceylon, the Straits Settlements and the Far Eastern markets which it once held but which were practically lost to it in the early twenties. The Ceylon Railway contract was retained for another year. China usually raises her own coal, but owing to the Sino Japanese hostilities, a number of Chinese mines were closed by the Japanese and the output of others was diverted to Japan, with the result that the country had to import large quantities of coal through the ports of Shanghai and Hongkong. India has taken full advantage of this new opening for her coal since the middle of 1938. Besides the export demand for coal received a strong impetus on the outbreak of war. Consequently the shipments of Indian coal during 1939-40 attained the unusually large figure of 2 million tons as compared with 1·3 million tons in the preceding year and 1 million tons in 1937-38. At no time in recent history was the export demand for Indian coal so consistently heavy almost throughout the year. On the export side, therefore, the industry made phenomenal progress and surpassed its previous records. It may be added, however that the coal shipped for export is usually good quality coal and the increase in exports does not completely solve the problem of the excess of production of other varieties of coal over the demand for internal consumption. This explains why the average level of coal prices during 1939-40 remained lower than in the previous year in spite of the remarkable increase in exports. On the import side, a declining trend has been in evidence in the last three years. The war accentuated the trend, with the result that imports of coal into India in 1939-40 amounted to only 16,000 tons or 36 per cent of what they were in the previous year. Imports of South

African coal were reduced from 37,000 tons in 1938-39 to 7,000 tons in 1939-40.

The war, however, has not been an unmixed blessing for the industry. While prices have recorded no marked improvement there has been a considerable increase in the cost of colliery stores and the industry may also have to foot an increased wage bill. The Bihar Labour Enquiry Committee which recently submitted its report has recommended increased wages for both colliers and surface labour. The Government of India have also appointed a Special Officer for carrying out an enquiry into the cost of living of labourers in relation to the level of wages in the coalfields. Besides, the costs of transport have also increased recently owing to the enhancement of the railway freight on coal with effect from the 1st March 1940. The surcharge on coal, coke and patent fuel was increased from that date from 12½ per cent with the maximum of one rupee per ton to 15 per cent without maximum till the 31st October 1940 and to 20 per cent from the 1st November to the end of the financial year. Under the Coal Mines Safety (Stowing) Act 1939, the provisions of which were described in detail in the last year's Review, an excise duty has been imposed on coal and coke for the purpose of creating a fund for assistance towards stowing. The excise duty is levied at present at the rate of 2 annas per ton on coal and soft coke and three annas per ton on hard coke and came into effect from 1st December 1939. It is clear that as a result of all these factors, the profit margin of the industry has diminished, but on the other hand, there are prospects of an increased demand during the year under review. The acceleration of industrial activity within the country promises a higher consumption of coal, while the export trade is also likely to be maintained, provided the shipping problem does not become more difficult. War has increased the coal requirements of all countries. Germany had an export trade of about 24 million tons of coal a large part of which has been cut off by the British Navy. Germany's former customers have, therefore, to draw their supplies from other sources. The recent diversion of shipping from the Mediterranean to the Cape route is also expected to increase the demand for coal, as ships have now to cover a longer distance. Besides, the possibility of the Mediterranean being closed for a long time owing to the war between Britain and Italy is also considered to be a bull factor for the coal trade; because it is expected that ports lying to the east of Suez may now have to depend on Indian supply to a greater extent than before. On the whole, therefore the present indications seem to be favourable for the continued progress of the industry during the coming year. The conditions created by the war are, however, essentially temporary and the industry can maintain healthy conditions only if it plans its production and controls its costs with due regard to this fact. The present prosperity of the export trade is dependent on certain temporary factors such as, for example, the Sino-Japanese war which has adversely affected the domestic production of China. It is also important to remember that while the present production of coal in India is 25 million tons, the normal demand for coal is of the order of 22 million tons. The excess output is being largely absorbed at present, because of the favourable conditions now prevailing;

but if these fail to continue, the industry may have to face the prospect of either a drastic reduction in prices or the difficult and painful process of adjusting output to demand. These are considerations which affect mainly the long-term outlook.

The problem of wagon shortage continued to be as perplexing as ever. The problem arises because the despatches from the coalfields increase in volume mainly between January and April when the wagon congestion is at its height. It is found that in August a number of coal wagons remain idle. The problem was further aggravated during the year under review owing to the heavy increase in traffic created by the war and the necessity of moving large quantities of fodder for the relief of famine districts in certain areas. Consequently, there were complaints of an acute shortage of wagons available for the ordinary public consumers, after the requirements of the railways themselves and the concerns on the priority list of the Coal Wagon Supply Committee had been satisfied. The Railway Board took several measures to relieve the congestion including the appointment of a Transportation Advisory Officer whose function was to keep a close watch on the requirements of priority concerns with a view to releasing more wagons for public coal loading.

The Coal Mines Stowing Board was reported to have formulated a scheme for regulating the grant of assistance to the collieries from the Stowing Fund towards stowing operation . To enable the Board to carry out their plans, the Government of India sanctioned an interest-free advance of R10 lakhs. The Board has also been considering the steps that are required to be taken to reduce the danger to the coalfield from the very large fire areas which are at present active and the Coal Mines Safety (Stowing) Act was amended by the Indian Legislature to enable the Board to finance from the Coal Mines Stowing Fund operations other than stowing in furtherance of the objects of the Act.

Iron and Steel. -An intense demand for iron and steel is a necessary feature of a war economy. The political crisis of September 1938 when a clash was narrowly averted had left a feeling that war would be inevitable sooner or later. The race of rearmament, therefore, which was already in full swing was further speeded up, thereby creating a feverish demand for all kinds of iron and steel products. The volume of Government orders was so heavy that the requirements of private consumers had to be stinted or postponed. The congestion manifested itself in a continuous postponement of deliveries to private business and a complete lull in forward business. The outbreak of war naturally increased the scramble for iron and steel. Efforts were made in almost all steel producing countries to increase production to the limit of productive capacity, the only difficulties which hindered the realisation of this aim was the shortage of iron ore and fuel. Owing partly to these difficulties and partly to large domestic requirements, the exports of iron and steel from the Continental producers were seriously curtailed. The only country which was able to take advantage of the stringency in the world market was the United States. In the United States, steel production showed a slight decline in the first quarter of the year under review, but was

gradually stepped up during the rest of the year. The Indian iron and steel industry also continued to be in a healthy state. Both the Tata Iron and Steel Company and the Indian Iron and Steel Company were fully booked with orders. The industry was placed in a very advantageous position owing to the reduction in imports during the last two years. Apart from the difficulty of obtaining supplies from abroad after the outbreak of war, buyers were unwilling to place orders with the Continental producers, in view of the possibility of war being spread to other parts of the Continent. Consequently, imports of iron and steel into British India amounted to 261,000 tons in 1939-40 as against 272,000 tons in 1938-39. The reduction was greater in the case of protected varieties, the imports of which fell from 162,000 tons in 1938-39 to 119,000 tons in 1939-40. The export demand was also satisfactory. During 1939-40, India exported 559,000 tons of pig iron valued at R284 lakhs as against 514,000 tons valued at R256 lakhs in the preceding year. The United Kingdom increased her offtake of Indian pig iron from 109,000 tons in 1938-39 to 223,000 tons in the year under review, but exports to Japan were smaller amounting to 289,000 tons as compared with 330,000 tons in 1938-39. The engineering section of the industry received large orders from Government for different kinds of war equipment to be supplied to overseas customers. The expansion of munition production within the country as well as the stimulus given to industrial activity by war conditions also created a strong domestic demand for all products of the iron and steel industry.

The following table which gives the profit figures since 1928 shows the remarkable increase in the profits of the industry in recent years.

Iron and Steel Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	2	1,44,55	.	100·0
1929	2	26,86	1,44,55	18·6
1930	2	1,02,04	26,86	70·6
1931	2	1,12,77	1,02,04	78·0
1932	2	95,76	1,12,77	66·2
1933	2	1,30,50	95,76	90 3
1934	2	2,44,65	1,30,50	169·2
1935	2	2,78,80	2,44,65	192·9
1936	2	2,58,72	2,78,80	179·0
1937	3	3,12,06	2,63,94	211·6
1938	3	4,67,03	3,12,06	316·7
1939	3	4,30,10	4,67,03	291·7

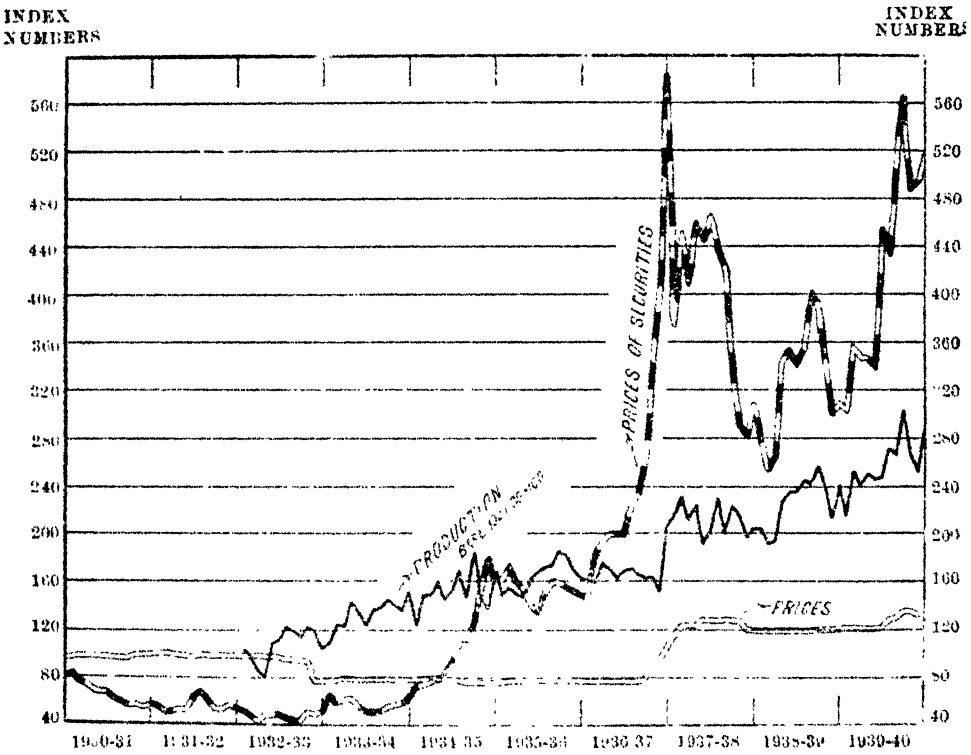
General.

The boom of 1937-38 increased the profits of the three companies, figures for which are used in the above table, to the very large figure of R467 lakhs declared in 1938, as against R312 lakhs in the preceding year. In the following year, the condition of the industry continued to be satisfactory, though it was less buoyant than in the preceding year. The profits in that year amounted to R430 lakhs which though smaller than in 1938, were still considerably higher than in any other year. The Tata Iron and Steel Co. was able to wipe out the arrears of dividends on their second preference shares which had begun to accumulate as early as 1933. The 1939 figures, however, do not fully reflect the effects of war conditions, as they relate to the working of the industry during 1938-39. The following chart gives a better indication of the position of the industry since the outbreak of war :—

CHART XIII.

Iron and Steel (Finished Steel).

[Base : 1928-29=100.]



The production of pig iron during the year under review exceeded the previous record of 1937-38. It amounted to 1,838,000 tons as against 1,576,000 tons in the preceding year and 1,641,000 tons in 1937-38. The output of both steel ingots and finished steel maintained their rising trends. As a result of a strong demand both for export and internal consumption, iron and steel products were able to command on an average a much better price during the year under review than in any of the previous ten years. The average index

number of iron and steel prices for 1939-40 (1928-29=100) worked out to 128 as compared with 120 for 1938-39. Higher output, increased demand and better prices naturally indicated an improvement in the profit-earning capacity of the industry, with the result that steel shares recorded substantial gains over the year. The index number of steel shares (1928-29=100) stood at 309 in March 1939. After a slight relapse to 303 in April owing to the discouraging trade outlook in the United States, the index number recovered sharply to 355 in May, as by that time the shortage of steel supplies in the world markets had begun to be keenly felt. From the middle of June, however, the political situation in Europe became extremely uncertain and this induced a cautious feeling in the market, with the result that there was a gradual decline in the prices of steel shares which brought down the index number to 338 in August. The outbreak of war removed the uncertainty and with the growing consciousness of the opportunities which the steel industry was bound to have in a war period, the prices of shares were pushed ahead vigorously, so that the index number rose from 338 in August to 562 in December. The speed with which prices had risen in the last two months of 1939 was too fast to be maintained. Towards the end of January 1940, almost all markets in India suffered a severe reaction and the prices of steel shares came down in sympathy. In that month the index number dropped by 72 points to 490. In February it recovered to 496 and in March it rose further to 515. Thus, between, March 1939 and March 1940, the index number of steel shares rose from 309 to 515 or a rise of 67 per cent. It may be added, however, that these scrips are the most popular speculative counters on the stock exchanges in India and that the fluctuations in their prices are often disproportionate to the changes in the intrinsic position of the industry.

India's productive capacity for iron and steel was further expanded during the year under review. The Steel Corporation of Bengal commenced operations in November 1939 and it is expected that it will not be long before the Corporation attains its full output. Steel produced by this new concern is reported to be of a satisfactory quality. During the year under review, the Tata Iron and Steel and the Indian Iron and Steel Companies also made large additions to their capital equipment. A new 'A' blast furnace was installed by the former Company with a daily productive capacity of 1,100 tons a day. It is expected that this will raise the Company's annual productive capacity of pig iron to 1¼ million tons. With this expansion of productive capacity the industry should be able to meet the large demands which are likely to be made on it while the war lasts. Already it has been claimed that the steel industry is in a position to meet practically the whole of the requirements of the defence forces for steel.

With regard to its internal organisation also, the industry made considerable progress during the year under review. Early in the year there were complaints of uneconomic competition between the Tata Iron and Steel Company and the small rolling mills, and a conference was convened by the Government of India to discuss the issue. Subsequently, however, Tatas were reported to have made an amicable settlement with the rolling mills. It was also announced that the Company had undertaken to work the Nega-

patam Rolling Mills under a long-term profit-sharing arrangement. A still more important event was the conclusion of a selling arrangement between the Tata Iron and Steel Company and the Steel Corporation of Bengal under which all agents and distributors would be jointly appointed by the two companies and in the case of products which are produced by both, orders might be supplied from the works of either company. Thus, the possibility of uneconomic competition between different steel producing concerns in India has been largely eliminated as a result of these arrangements, and the industry has, therefore, been placed in a favourable position to make the best use of its opportunities.

It has been noted above that imports of steel into India during the year under review were much below the normal level. The United Kingdom, which is an important source of supply, was unable to keep up her exports of steel to India. In March 1940, it was announced that exports of steel from the United Kingdom to India would be subject to a rationing scheme covering all shipments from January 1, 1940. It was stated that the scheme did not involve a serious reduction in normal imports and that no undue hardships were anticipated. The quota allotted to India covered demands originating from the Defence Services, Railways, all Central and Provincial Government Departments and the Indian States, as well as from all branches of industry.

Sugar.—A review of the sugar industry during 1939-40 affords an interesting example of how a high level of prices can be consistently maintained in spite of a serious maladjustment between demand and supply. Prices of sugar in India during the year under review ruled on an average 24 per cent higher than in the preceding year and yet the position of the industry was far from healthy. While the high prices which prevailed before November 1939, were largely accounted for by the short crop of the previous season, it is interesting to observe that prices attained a still higher level after the beginning of the new season when the short supply had already become a thing of the past and its place was taken by high production and a heavy accumulation of stocks at the factories. The situation was essentially artificial and was responsible for a serious crisis which later developed in the industry.

The sugarcane crop proved disappointing for two consecutive seasons, 1937-38 and 1938-39. During the latter season, the total acreage under cane and the quantity of cane available to the factories were greatly reduced and the quality of cane also deteriorated owing to floods, adverse weather conditions and diseases. The duration of the cane crushing season was considerably curtailed, the season being the shortest on record. As a result of all these factors, the output of sugar was expected to be reduced during 1938-39 and this brought about a sharp rise in prices. The actual production of sugar directly from cane during the season 1938-39 was only 650,800 tons. During the early part of 1939-40, the rise in the price of sugar was further stimulated by unfavourable reports about the prospects of sugarcane crop for the next season. Reports were received of widespread damage to the crop

in Eastern United Provinces and North Bihar due to diseases and insect pests. Prices rose very high in May 1939, the average price of first class Indian sugar exceeding R12 per maund. The high level of internal prices enabled large quantities of sugar to be imported from Java. Imports of sugar into British India during 1939-40 increased to 253,000 tons as compared with 34,000 tons in the preceding year and 14,000 tons in 1937-38. Of these, the imports from Java were 233,000 tons in 1939-40 as compared with 25,000 tons in 1938-39. and 10,000 tons in 1937-38. With the increase in imports from Java, prices gradually declined. Meanwhile, the Indian Sugar Syndicate issued instructions to its members to sell out all the sugar produced by them before the beginning of the next crushing season and this also served to bring down prices. With the outbreak of war, however, the whole situation assumed a new complexion. The prices of Java sugar began to rise, because the NIWAS, the sugar selling agency in Java, which had only limited quantities available for export, was withholding supplies. For sometime the prices ruling in Java were even higher than the export parity with Bombay and other Indian ports and consequently, large quantities of Java sugar were re-exported from India to certain near Eastern ports like Aden, Suez, and Port Said. Indian sugar also followed the upward trend of prices. There were complaints that as most of the Indian sugar which was being sold at this time was made from cane purchased at low prices, the sugar factories were making large profits. A Committee was appointed by the Provincial Governments of the United Provinces and Bihar to investigate the matter. The Committee met in June 1939 and unanimously recommended a sliding scale, adjusting the minimum price of cane to the price of sugar actually prevailing in the previous fortnight. When the new season commenced, the actual minimum price for cane was fixed lower than what was justified by the sliding scale on the basis of the price of sugar in the previous fortnight. The Indian Sugar Syndicate lodged a strong protest to the Governments of the United Provinces and Bihar and raised its basic price to R12 per maund which was R2 higher than the basic price fixed in the previous season. It was here that the so-called "vicious circle" started. With the rise in the market price of sugar, the minimum price of cane automatically went up. The high level of prices affected consumption, and despatches of sugar were greatly reduced. The supply situation had also completely changed by this time. The fears which were felt earlier about the prospects of the sugarcane crop were completely falsified by timely and plentiful rains during the winter months, with the result that an abundant crop was produced. Diseases and pests were also brought under control, thus leading to an improvement in the quality of cane. Further, owing to the high prices paid for cane by factories in the United Provinces and Bihar, a larger proportion of the cane crop in these two provinces found its way to the factories than in previous years. All these factors resulted in an increase in the production of sugar which was beyond all expectations. Within hardly two months after the crushing season had begun there were signs of a state of over-production developing in the industry. Stocks began to accumulate at the factories at an alarming rate. As the demand continued to be disappointing, even the first selling quota issued by the Syndicate in December could not be sold out till the end of the year under review.

General.

And yet the Syndicate adhered to its basic price of R12 per maund and the member mills had no power to sell sugar at a lower rate than that fixed by the Syndicate under the Syndicate's Articles of Association. The production of sugar directly from cane during 1939-40 is estimated to be 1,241,700 tons as compared with the actual production of 650,800 tons last year. This, combined with the production of sugar of other kinds, is likely to leave a large surplus over consumption.

Some drastic measures were needed to cope with the situation and to avert the crisis which was facing the industry. At its meeting held on the 2nd April, therefore, the Syndicate decided first to request the Governments of the United Provinces and Bihar to abolish the cess and to reduce the minimum price for cane to As. 5 ps. 9 per maund, factory gate delivery, in respect of the cane supplied from the 10th April onwards, and secondly, to reduce the basic price of sugar to be produced on or after the 11th April 1940 to such levels as will correspond to the basis of R8-10-0 per maund for Nawabganj sugar, D. 24, which was taken as the basis for the season, 1939-40. The Governments of the United Provinces and Bihar agreed to remove the cess and also to reduce the cane prices to As. 6 ps. 3 from the 11th April on condition that the factories would crush all the available cane. The minimum price of cane was further reduced to As. 5 ps. 6 per maund from the 1st May. The reduction in cane prices is expected to give relief to the factories in two ways: it may help them to increase the sales of sugar by lowering the price and thus reduce the stocks and secondly, a reduction in the cost of production by itself means that a smaller capital will be required to carry over the stocks remaining at the end of the season. The Syndicate also took several vital decisions for the disposal of accumulating stocks regardless of loss. It decided to assume direct sales of sugar. Secondly, in order to combat the competition of Java sugar, the prices of Syndicate sugar were reduced by 6 annas per maund for delivery at Bengal ports and 10 annas per maund for delivery at other Indian ports. This concession was in force from 23rd April to 18th May 1940, only. Thirdly, the Syndicate announced its willingness to sell 2 lakhs of tons for export purposes at a heavily reduced price. Negotiations for the purchase of half this quantity were taken up by His Majesty's Government, but they did not materialise, as the Syndicate found itself obliged by financial considerations to withdraw its proposal. While the negotiations were proceeding, the Government of India applied for partial release from their obligations under the International Sugar Agreement so as to enable India to export to United Kingdom upto 2 lakhs tons of sugar during the year ending 31st December 1940. This application has been granted and it is therefore open to the sugar industry to resume the negotiations.

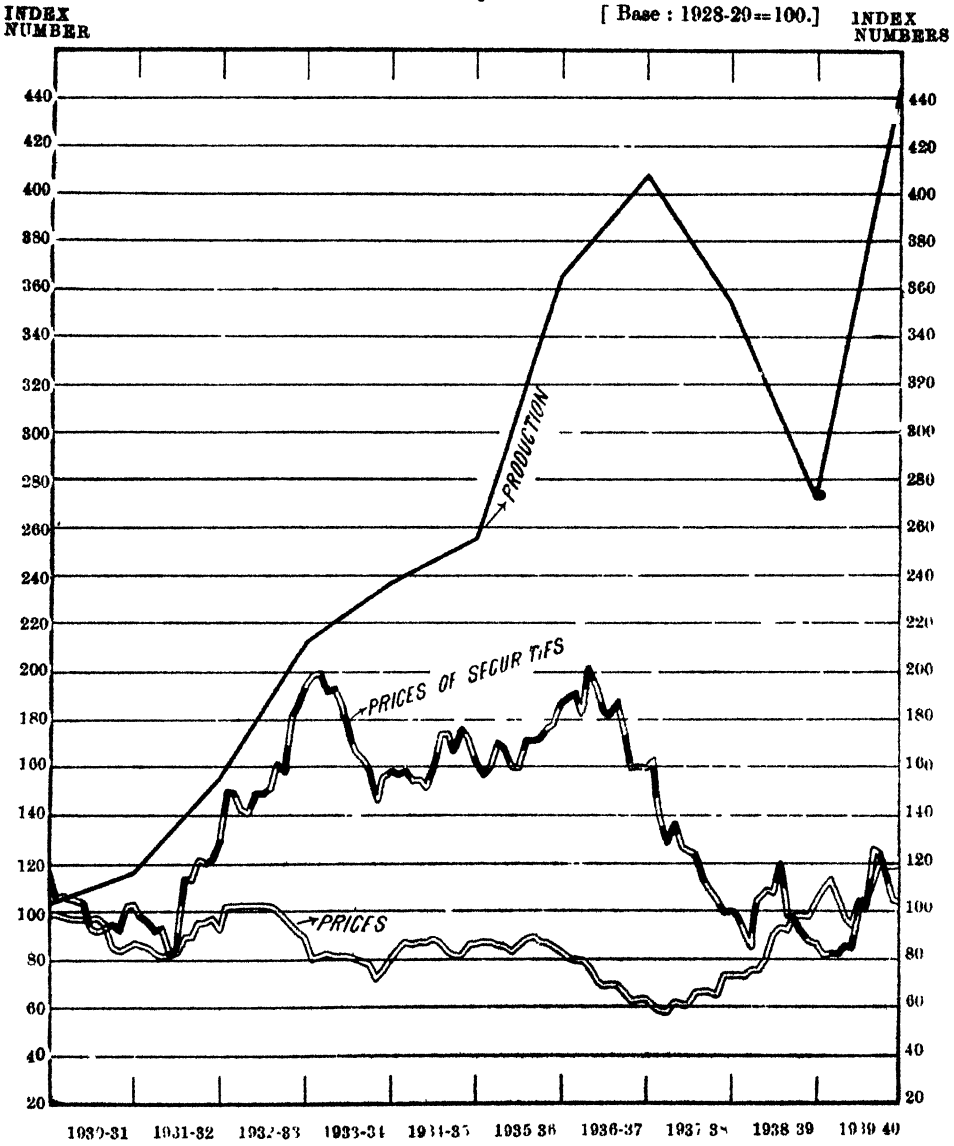
The excise duty on white sugar was enhanced from R2-0-0 to R3-0-0 per cwt. with effect from the 1st March 1940. Simultaneously, the rate of import duty was raised from R8-12-0 to R9-12-0 per cwt. Stocks held by factories on the 28th February 1940 were exempted from the increased rate of excise duty.

General.

The following chart shows the trend of production and prices of sugar and prices of shares of sugar companies since 1929-30.

CHART XIV.

Sugar.



NOTE.— Production figures are taken from the report of the Director, Imperial Institute of Sugar Technology.

Prices of Indian sugar throughout 1938-39 and the early months of 1939-40 showed the cumulative effects of the short crops of two consecutive seasons. In May 1939, the quotation for Marhowrah Crystal No. 1 at Cawn-

pore rose to R12 per maund which was then the highest figure on record for many years. This high level of prices stimulated imports from Java with the result that prices gradually came down in the next three months, the quotation on the eve of the war being R9-13-0. From September, sugar prices resumed their rising tendency in sympathy with the general upswing of commodity prices, and at the beginning of October the price was quoted at R10-14-0. The new season began with practically no carry-over, as stocks of Indian sugar in most markets were completely exhausted. With the arrival of the new sugar in the market prices should have come down again, but instead they rose to a still higher level, because the Syndicate had raised its basic price by R2 over that fixed for the previous season. Throughout the rest of the year, the quotation ruled above R12, in spite of the fact that during this period demand for sugar had fallen off and stocks were accumulating at the factories. Thus, this artificial rise in prices concealed certain fundamental changes in the position and prospects of the industry. These were reflected in the trend of share prices, which, as will be seen from the chart above, moved independently of the prices of sugar. The prices of sugar shares fell precipitously from October 1938 to April 1939, the index number (1928-29 =100) dropping from 119 to 81, in spite of the fact that this was a period of rising prices for sugar. The index number improved to 83 in May and after a slight fall in June, rose further to 85 in July and August, although during these two months prices of Indian sugar had begun to recede owing to increased imports from Java. After the outbreak of war there was intense speculative activity in these shares and the index rose to 125 in November and was maintained at 121 in December. From January, however, the prices of sugar shares began to fall because, with the continued slackness of demand and the consequent accumulation of stocks at the factories, the position of the sugar industry had considerably weakened by that time. In March 1940, the index number of share prices declined to 103. As compared with March 1939, however, the level of share prices still showed a rise of 20 per cent, which means that in spite of the set-back received during the last quarter of the year, the markets' estimate of the profit-earning capacity of the industry was still considerably higher than what it was at the end of the preceding year. The policy pursued by the Syndicate in controlling the sales and prices of sugar was mainly responsible for the result. The exact effect of this policy on the profits of the industry during 1939-40, will not be known till the profit figures for 1940 are available. But it will be seen from the following table which gives the profits of sugar companies that the industry was able to maintain its earnings during the year 1938-39 in spite of the fact that its position during that year was none too favourable.

General.

Sugar Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base: 1928=100]
1928	10	19,95	..	100·0
1929	10	15,88	19,95	79·6
1930	12	25,97	22,09	93·6
1931	12	40,11	25,97	144·5
1932	12	70,45	40,11	253·9
1933	12	70,54	70,45	254·2
1934	13	54,69	71,59	194·2
1935	20	56,62	69,71	157·7
1936	21	89,85	57,37	247·0
1937	26	50,06	1,01,14	122·3
1938	27	71,66	52,07	168·3
1939	22	63,88	53,69	200·2

Profits declared during 1939 were nearly 19 per cent higher than in the preceding year, the chain index being 200 as compared with 168 in 1938. Most of these profits were earned on the working of 1938-39.

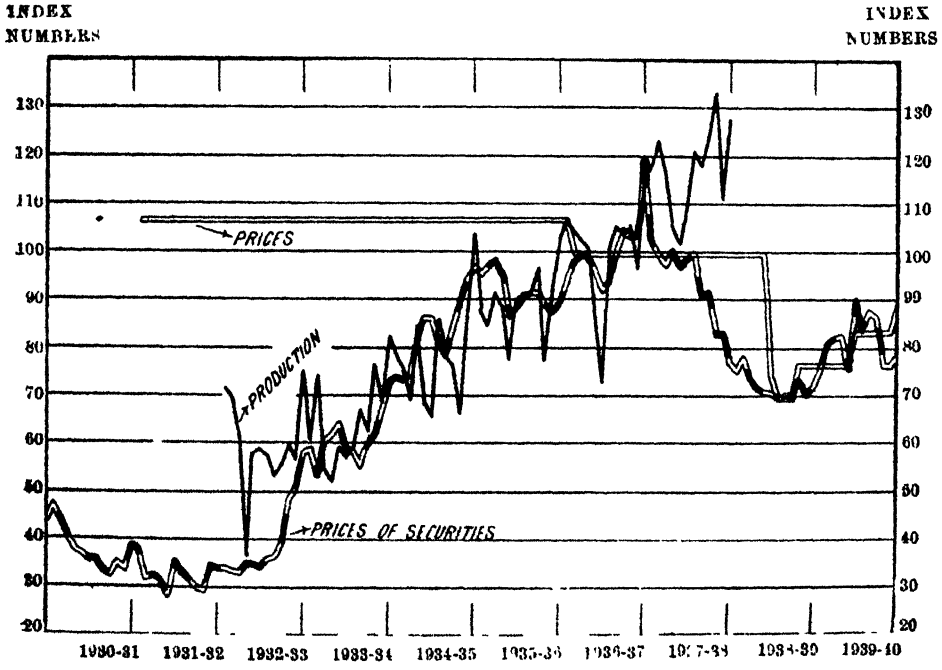
Cement.—The prospects of the cement industry showed a considerable improvement during the year under review as compared with the preceding year. The industry, however, still continued to be in the unhappy position created by its internal troubles. It is unfortunate that this industry which is one of the very few in India which have attained a high state of technical efficiency and are able to face foreign competition unaided, should hinder its own advance by severe internal competition and price-cutting. In 1939, the competition became intensified owing to several new works belonging to rival interests having come into production. There were prolonged negotiations between the Associated Cement Companies and the other cement producers with a view to bringing about some sort of integration in the industry, but without any result. In other respects, however, the position of the industry showed a noticeable improvement. Demand for cement continued to expand and the efforts of the marketing organisations of the industry to popularise new uses for cement were attended with a considerable measure of success. The growing preference for concrete roads constitutes a promising line of development for the cement trade. The report of the Associated Cement Companies for the year ended 31st July 1939 which was published in January 1940 spoke of the large contracts which the Company received from Government and public bodies during that year. In spite of keen competition, the Company was able to effect a considerable increase in sales. The increase, however, was achieved at the cost of severe price reductions, with the result that in spite of the larger volume of business, the net profit of the Company for the year amounted to only R71 lakhs as compared with R110 lakhs in the previous year. It will be seen, thus, that internal competition and the consequent low prices have prevented the industry from enjoying to the full extent the fruits of its own endeavours towards popularising the use of cement in the country. The high degree of integration which has been achieved in a large section of the industry has enabled substantial

economies to be effected through avoidance of waste which usually arises from unnecessary duplication of productive or distributive machinery or uneconomic location of plants. The Associated Cement Companies, moreover, reported substantial savings in the use of coal and other materials and in selling and other charges. The new factories which the rival companies have started have, according to one point of view, aggravated the problem of over-production, but they have this point in their favour, namely, that being situated in the vicinity of the main consuming areas, they are able to supply their markets at considerably lower freight charges than what the markets would have had to pay if these factories had not come into existence. During the year ended 31st July 1939, the Associated Cement Companies made considerable addition to their productive capacity. Two new factories commenced operations. The factory at Rohri is ideally situated for meeting the demands of Baluchistan, Upper Sind and parts of the Punjab, apart from supplying the requirements of the reconstruction works at Quetta. The factory at Surajpur in Patiala State, which is also situated in a large consuming centre, reached its productive stage during the year. Recently, the other new project of the Company, the Kistna Cement Works, in Bezwada has commenced production. The Andhra Cement Company owns a small factory in the same district, but it is gratifying to note that the two companies have arrived at a working arrangement between them in order to eliminate unhealthy competition. The Associated Cement Companies' works at Okha have also been extended. The other available information about the position of the cement industry is shown in the chart below :

CHART XV.

Cement.

[Base : 1936-37=100.]



General.

Between March 1939 and March 1940, the price of cement recorded a rise of 16 per cent. The rise, however, was not sufficient to offset the severe reductions which had taken place in September and October 1938, owing to the rate war between the two rival cement producing concerns. The result was that the price in March 1940, though higher than what it was a year before, was still 10 per cent below the level prevailing in August 1938, while the average for 1939-40 also worked out 4 per cent lower than that for the previous year. In September and October 1938, the price of cement came down by as much as 30 per cent as compared with the price in August 1938. By the beginning of January 1939, the price rose by 10 per cent at which level it remained steady till the outbreak of war, when it registered a further rise of 11 per cent. In March 1940, the price was marked up further, but a large part of this rise was due to the increase in railway freight which came into effect in that month. The rise in prices reflected the relatively stable conditions prevailing in the industry during the year under review. The share market also had begun to view the prospects of the industry with increased confidence, as is seen from the fact that prices of cement shares were generally maintained at a higher level than in the previous year. Between October 1938 and March 1939, the index number (1936 37=100) of the Associated Cement Companies' shares declined from 100 to 72, thereby reflecting the marked deterioration in the prospects of the industry during that period due to the internecine warfare between the rival sections. Since the beginning of the year 1939 40, however, the shares gradually assumed a firm tone, the index number showing a rise from 72 in March 1939 to 82 in July. This recovery was due partly to the market expectations that the negotiations which were then proceeding between the two parties were likely to come to a successful conclusion Besides, the satisfactory demand for cement at steady prices during this period also contributed to the improvement in these shares. The failure of the negotiations caused a relapse in August and the index number came down to 76. The outbreak of war created optimistic expectations about all industries and the cement shares participated in the speculative boom which followed in the next four months. The index number, consequently, rose to 90 in September and though it receded to 84 in the following month, it stood again at 87 in November and at 86 in December. The initial enthusiasm was, however, soon found to have been overdone and in sympathy with the declining trend of other scrips, the prices of cement shares came down from the beginning of 1940. The publication of the accounts of the Associated Cement Companies in January which revealed a large reduction in the

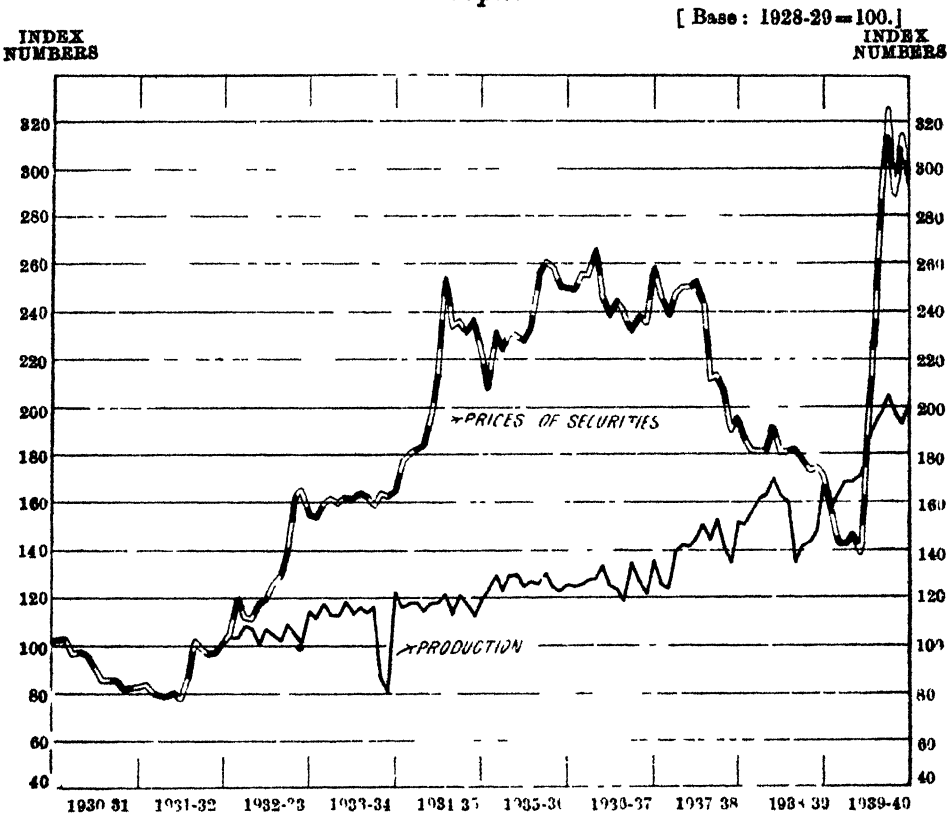
profits of the Company as compared with the previous year made it clear that the evils of internal competition had still persisted in the industry. This further precipitated the fall in prices, which amounted to 10 per cent in January 1940. In March, the index number stood at 78, as compared with 86 in December, still showing a rise of 8 per cent over the index number in March 1939. The average index number for the year worked out to 81 as against 72 for the previous year, or an increase of 12 per cent, which shows the improvement in the prospects of the industry during the year under review.

As regards the outlook for the cement industry in the immediate future, it may be described as mildly optimistic. The war has introduced new factors in the situation. The rise in the prices of several raw materials and in freight rates has meant an increase in the costs of the industry. There are indications, moreover, that the activity in the building industry which had so far provided the main outlet for cement is on the wane. The building boom during the last few years in Bombay and other places was fostered mainly by the prevalence of low rates of interest and these have now shown a marked tendency to rise. The rise in the cost of materials also acts as a deterrent to further expansion of building activity. In Bombay, the Property Tax has introduced another adverse element in the situation. However, new factors have emerged which augur well for the cement industry. New ways for the use of cement are being increasingly exploited ; for example, road construction has lately offered a promising line of development. The war has opened new markets and the export trade in cement which was of negligible proportions so far, is reported to be increasing in volume. The cement producers in India are said to have received large orders from foreign markets. It seems probable that these conditions will continue for the duration of the war.

Paper.—The transition from recession to recovery which was a prominent feature of other Indian industries during the year under review was equally marked in the case of the paper industry. During the first five months of the year, the industry experienced a severe setback followed by boom conditions during the rest of the year. The two phases, recession and recovery, are clearly indicated in the chart below which shows the trend of production and prices of securities during the year under review.

CHART XVI.

Paper.



NOTE.—Production figures before 1932-33 are not available.

It will be seen that the production of paper in India followed a steep rising trend during 1939-40. It amounted to 1,416,000 cwts. as compared with 1,184,000 cwts. in the preceding year and 1,076,000 cwts. in 1937-38. It is interesting to observe that while in the earlier period of recession the increase in output was taking place in spite of a severe fall in prices and was partly responsible for it, in the later period the increase was further accelerated by the phenomenal rise in prices which took place after the outbreak of war. The setback in general economic conditions in the pre-war period had led to a slackening of demand for paper, and hence the increase in output served only to depress prices by intensifying internal competition. The tendency was further accentuated by the reduction in the protective duties on paper from the 1st April 1939. Prices of paper are not readily available but it was stated that the rates quoted a few weeks before the outbreak of war were probably the lowest for many years. This general weakening of the position of the industry was visibly reflected in the prices of paper shares which depreciated heavily during this period.

General.

It will be seen from the chart above that prices of paper shares were already on the down grade in the preceding two years. The index number (1928-29=100) of the securities of two leading paper companies had come down from 196 to 170 between March 1938 and March 1939. From that level it dropped to 142 in May and June and though a slightly steadier tendency was noticeable in the following month, August 1939 saw the index number falling to 139 which was the lowest quotation for any month since November 1932. With the outbreak of war, however, the scene quickly changed. The dislocation of trade with the Scandinavian countries and the consequent reduction in imports of paper gave the industry a respite from foreign competition and although the costs of materials also increased along with the prices of paper, the situation still left a substantial balance of advantage in favour of the industry The older mills had a sufficient supply of bleaching powder and other essential materials to enable them to tide over the shortage for some time. Mechanical newsprint, which used to be imported mainly from the Scandinavian countries, and which is not made in India, could still be obtained from alternative sources such as Canada and the United States of America, but there was a large variety of other papers including fine papers for which consumers had now to depend entirely on Indian mills. Some of them were never produced in India and it is possible that there may be a serious shortage of such varieties till Indian mills are able to produce suitable substitutes for them. Under the stimulus of rising demand, mills started working at full pressure and the result was seen in the production figures for September 1939 to March 1940 which showed an increase of 30 per cent over the corresponding period of the preceding year. That the prospects of the industry greatly improved as a result of the war is further corroborated by the trend of security values which reflect the market opinion. As said above, the index number (1928-29=100) of share prices had fallen to the unusually low level of 139 in August 1939. It spurted up to 189 in September and continued to rise till it reached the record level of 325 in December which was 134 per cent above the pre-war figure of 139 recorded in previous August. The index number had not risen to this height even in the boom of 1937. No doubt, a part of this rise was of a purely speculative character and was, therefore, eliminated in the subsequent reaction in January 1940 when the index number receded to 290. It recovered to 315 in February but closed lower at 295 in March. Thus, between March 1939 and March 1940, prices of paper shares showed a rise of 74 per cent which clearly shows the renewed optimism of investors regarding the prospects of the paper industry. It is to be hoped, however, that the industry will not overlook the essentially temporary character

of the conditions created by the war and will plan its expansion wisely and with due regard to the state of affairs which will arise after the war is over.

The following table gives the profits earned by certain leading companies during the last twelve years.

Paper Industry.

Year	No. of companies	Profits (R 000)	Profits, same companies, preceding year (R 000)	Chain Index [Base, 1928 = 100]
1928	3	16,09	..	100·0
1929	3	15,00	16,09	93·2
1930	3	14,69	15,00	91·3
1931	3	13,93	14,69	86·6
1932	3	14,87	13,93	92·4
1933	3	17,83	14,87	110·8
1934	3	17,40	17,83	108·1
1935	4	27,31	21,65	136·4
1936	4	31,51	27,31	157·4
1937	4	36,60	31,51	182·8
1938	4	34,45	36,60	172·1
1939	2	25,97	26.15	170·9

Profits declared in 1939 were mainly earned in 1938-39 when the position of the industry had deteriorated. Besides, figures are available only for two companies. These show that the industry was working on a smaller margin of profit in 1938-39 than in the preceding year. The revised index for profits declared in 1938 also shows a fall of 6 per cent as compared with 1937 when the industry was able to declare the highest profits since 1928. It is not until the figures for 1940 are available that the exact effect of war conditions on the profits of the industry will be known.

General.

Prices in India.—The following table shows the index numbers of wholesale prices in Calcutta, Bombay, the United Kingdom, the United States of America, Japan, France, Canada and Australia.

Index numbers of Wholesale Prices in India and some of the principal countries of the world.

	India				United Kingdom (Board of Trade)	United States of America	Canada	Australia (Melbourne)	Japan	France
	Calcutta		Bombay							
	July 1914 =100	1929 =100	July 1914 =100	1929 =100	1929=100					
Average—										
1932 .	91	64	109	75	75	68	70	78	73	68
1933 . .	87	62	98	68	75	69	70	78	82	64
1934 . .	89	63	95	65	77	79	75	82	81	60
1935 . .	91	64	99	68	78	84	75	81	84	54
1936 . .	91	64	96	66	83	85	78	86	90	65
1937 .	102	72	106	73	95	91	88	92	108	93
1938 .	95	68	101	70	89	82	82	92	114	104
1939 . .	108	77	109	75	90	81	79	92	126	
1939—										
Jan. . .	96	68	100	69	85	81	77	94	118	110
Feb . .	98	70	99	68	85	81	77	95	120	109
Mar. .	97	69	99	68	85	80	77	98	120	109
Apl. . .	100	71	100	69	85	80	77	94	121	108
May . .	101	72	101	70	86	80	77	90	123	109
June . .	101	72	101	70	86	79	77	89	123	109
July . .	100	71	100	69	86	79	76	89	123	108
Aug . .	100	71	103	71	86	79	76	89	124	107
Sep. . .	114	81	120	83	92	83	82	91	131	..
Oct. . .	118	84	121	83	97	83	83	95	133	..
Nov. . .	131	93	133	92	104	83	84	93	136	..
Dec. . .	137	97	135	93	107	83	85	93	143	..
1940—										
Jan. . .	130	92	128	88	110	83	86	92	146	..
Feb. . .	126	90	124	86	113	82	83	91	144	..
Mar. . .	121	86	119	82	113	82	..	.	..	..

Prices are an outward index of the movements taking place within the economic system. The forces bringing about these movements and their repercussions are of a complex character and it is not always easy to judge whether an upward or downward trend of prices is desirable or otherwise. While the fall in the prices of agricultural produce since the boom of 1937

came to an end was generally admitted to be an adverse feature of the economic situation and a reversal of that trend was welcome, the speed with which prices began to rise after the outbreak of war created a wide divergence of opinion as to the desirability of such a rapid rise in prices. It was perhaps inevitable that a conflict of interests should arise between the producer and the consumer in a period of violent price-changes. While a steep upward movement of prices necessarily implied a threat to the standard of living of classes with fixed incomes, the producers saw in it an opportunity to reimburse themselves for the losses suffered by them over a series of lean years. For these reasons, the movements of wholesale prices in India had an added interest during the year under review. Wholesale prices in Calcutta declined steadily from August 1937 when the index number (July 1914= 100) stood at 105. During the period from September to December 1938, prices appeared to have stabilised themselves at 95. Thereafter a firmer tendency was noticeable and the index number rose by slow degrees to 101 in May 1939. The rise was mainly due to the firmness of sugar, tea, raw jute and jute manufactures. The index number declined to 100 in July when almost all markets in India were adversely affected by the uncertain political situation in Europe. There was no change in August, though the portents of an early outbreak of war had begun to appear in that month. In September, however, as soon as the news of the declaration of war was received, prices bagan to soar. At the end of the month, the index stood 14 per cent above the pre-war level. Prices continued to rise in the next three months till they reached their peak in December when the index stood at 137 or 37 per cent above the pre-war level. Rumours of the so-called "peace offensive" which arose at frequent intervals served at times to check the upward movement, but their effect was only temporary. Raw jute, jute manufactures, raw cotton, wheat, sugar and iron and steel were among the commodities which recorded the sharpest rise during this period. In January 1940, however, the trend appeared to be definitely reversed. The rise in prices during the first four months of war was largely sustained by heavy speculative buying which had created a very unhealthy position in commodity markets. A reaction was, therefore, inevitable. Besides, the disappointment caused in the jute markets by the postponement of the delivery date for sandbags accentuated the downward trend. At the end of January 1940, the index number fell to 130 ; it continued to decline in the next two months and stood at 121 in March Thus, wholesale prices at the end of the year showed a net rise of 21 per cent over the pre-war level, though they were still 14 per cent below the level prevailing in 1929. Almost all commodities participated in the rise to a varying extent, the rise being particularly marked in the case of raw jute, jute manufactures, raw cotton, cotton manufactures, wool, silk, wheat and iron and steel. The only items in the index number which showed decreases in March 1939 as compared with the pre-war level were tea and mustard oil.

As said above, this rise in prices created a complex set of problems. In its initial stages it created a panic in commodity markets. The dealers found in it a great opportunity for profiteering, while the consumers, being alarmed at the prospect of a steep rise in the cost of living attempted to lay up stocks of commodities. Thus, a vicious circle set in, in the form of rising

prices and increased hoarding. The rise was particularly sharp in the case of imported articles like chemicals, patent medicines, tinned provisions, toilet requisites, etc., while commodities like meat, grain and sugar, which are derived mostly from domestic sources also recorded substantial increases. Under the Defence of India Rules, the Government had already taken powers to control the rise of prices. As a preliminary measure, the Central as well as the Provincial Governments issued warnings against profiteering and requested the public to refrain from buying excessive supplies. On the 8th September 1939, the Central Government delegated powers to the Provincial Governments to control the prices of such necessaries of life as medical supplies, food stuffs, salt, kerosene oil and cheaper qualities of cotton cloth, subject to the condition that the maximum prices fixed should not be less than 10 per cent above the prices prevailing on the 1st September 1939. In pursuance of these powers, the Provincial Governments and States took immediate steps to check profiteering. In certain Provinces, Provincial Controllers of Prices were appointed and district officers were authorised to act as Controllers of Prices in their respective areas. Local Advisory Boards were formed to make the control effective in the districts. These measures served to allay the panic, while the threat of further action deterred any attempt at charging exhorbitant prices. The situation was thus gradually brought under control.

The measures described above were essentially of a temporary character, being intended to meet the emergency created by the sudden rise in prices, but from a long-term point of view, they required further examination. As a first step, therefore, the Government of India issued a notification on the 29th September, 1939, making important amendments in the instructions issued to the Provincial Governments in the matter of price control under the original notification dated the 8th September. Under the revised instructions, the maximum price fixed for sales by the producers was to be so calculated as to make due allowance for all factors which might have increased the costs of production, and in the case of imports, the importer was to be allowed to charge his current cost of importation *plus* the margin which he used to get on the 1st September 1939. Further, in fixing prices at wholesale or retail stages, each Provincial Government or State was to have regard to the prices fixed for the producer or importer whether in the same Province or State or in another Province or State.

The next step was to convene a conference of representatives of Provinces and States to examine the working of the price control measures so far adopted and to consider the lines of future action. The conference, which met on the 18th and 19th of October, 1939, took the view that as agriculture in India had not yet fully recovered from the recent depression, it was undesirable to take further steps to check the rise in the prices of agricultural produce. In principle, they admitted the trader's right to fix his prices on the basis of replacement cost. There was also general agreement as to the inexpediency of utilising the powers of commandeering commodities except in the last resort. It was decided to hold such conferences at an interval of every three months, as they were likely to be of great help in securing uniformity of policy between different Provinces and States. The Second Price Control Conference was held in New Delhi on the 24th and 25th

January. The experience of the first five months of war had revealed that isolated action by district officers or Provincial Governments to control prices was likely to lead to unsatisfactory results; and hence the Conference agreed to the desirability of instituting some machinery for co-ordination. The actual plan which was discussed at the Conference had two main features: one was the creation of a uniform administrative machinery in the Provinces and States, under which each Province and major State appointed a Controller of Prices at the headquarters to co-ordinate district action and with this officer there was associated an advisory body of persons concerned with the distribution and production of commodities, the whole organization being designed to be an intermediary, both within the Province and with other Provinces and the Centre. The second feature of this plan was a division of functions between the Centre and the Provinces. It was agreed that if and when the control of prices in the wholesale market became necessary, this task should be assumed by the Centre while the task of controlling prices in the secondary markets and at the retail stage should be left to the Provinces.

In January 1940, the Government of India announced their intention of appointing two Price Advisory Officers, one in Bombay and the other in Calcutta, to watch the situation in the cotton and jute markets. It was the duty of these officers to keep the Central Government fully and constantly informed as to the operations in these commodities so that the Government might have adequate data at their disposal at any time to determine whether or not control was desirable.

The methods adopted in different Provinces for controlling prices were widely different in character and varied considerably in scope. In some Provinces, maximum prices were fixed for articles considered essential for the life of the community, while in others, the Government issued warnings against profiteering from time to time and generally kept a close watch over the price situation. In most provinces, the Controllers of Prices published, for the guidance of the public, periodical lists of prices prevailing in their respective areas. Among the various experiments tried by the Provincial Governments for controlling prices mention may be made of the cheap grain shops opened in Bombay and Surat by the Government of Bombay. Grains for these shops were purchased by the Controller of Prices from wholesale merchants in the city through the agency of a Purchase Sub-Committee. The selling price of grains at Government shops was obtained by adding to the purchase price of the grains the overhead charges incurred in running the shops. The retail prices so arrived at were less than the retail prices in the market.

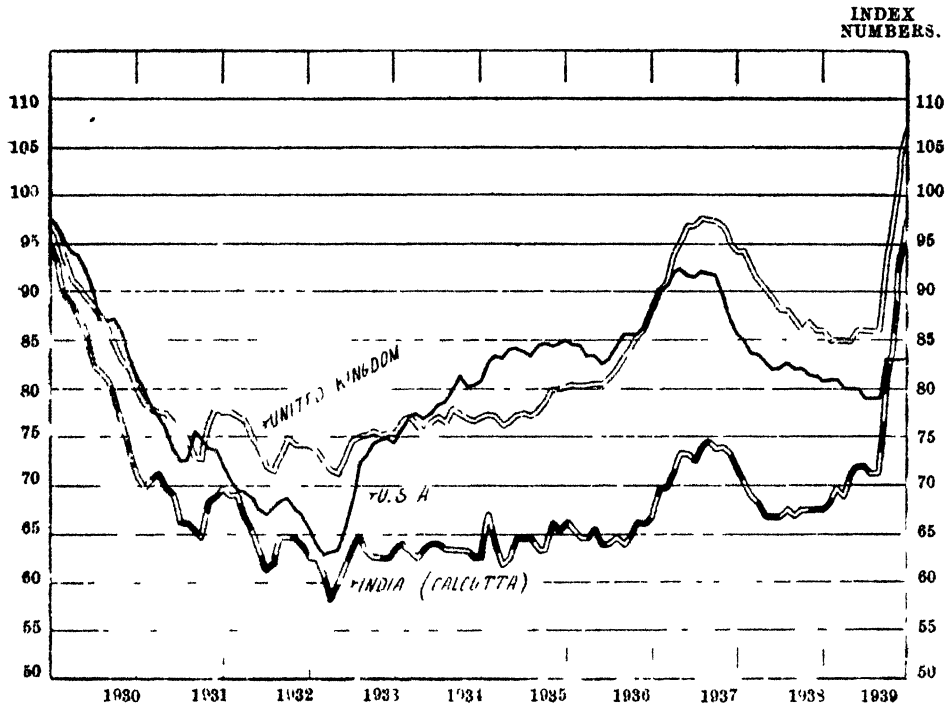
The following chart has been drawn to show the general movement of wholesale prices in India, the United Kingdom and the United States :—

General.

Chart XVII.

Index Numbers of Wholesale Prices.

[Base: 1929=100]



A comparison of the index numbers of wholesale prices (1929=100) for India, the United Kingdom and the United States of America, particularly for the period after the outbreak of war, reveals some important points of difference between the behaviour of prices in these three countries. During the first five months of 1939-40, wholesale prices were more or less stable in India as well as in the other countries, but after the outbreak of war till January 1940, prices rose at a much faster rate in India than either in the United Kingdom or the United States of America. In December 1939, the Calcutta index number, converted to the 1929 basis showed a rise of 37 per cent above the pre-war level, while the United Kingdom index had risen by 24 per cent and the United States of America index by only 5 per cent. While in the United Kingdom prices followed a steady upward trend during this period, the American index after rising from 79 in August to 83 in September remained stationary at that level during the next four months. The steadiness of American prices is all the more remarkable in view of the huge purchases made by the Allied Powers in that country. After January 1940, the divergence between Indian and British prices became wider, because while Indian prices began to decline from that date, British prices continued their upward movement. The index number for India fell from 97 in December 1939 to 86 in March 1940 while the United Kingdom index rose from 107 to 113. The American index, on the other hand, registered a slight decline from 83 to 82 in February 1940 and

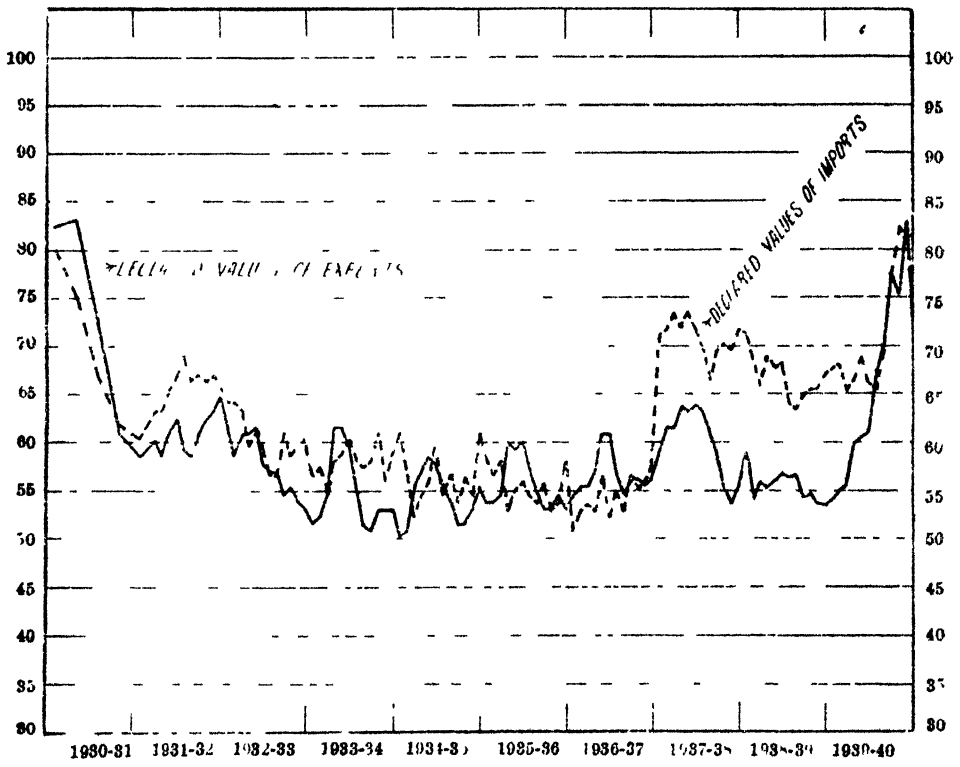
continued at that level in March. At the end of the year, the net rise in prices above the pre-war level was 21 per cent in India, 31 per cent in the United Kingdom and 4 per cent in the United States of America.

It may be interesting to examine the trend of agricultural prices which are of more vital importance to an agricultural country like India than industrial prices. India's exports consist largely of agricultural commodities and her imports of manufactured articles and hence the indices of export and import prices may be roughly taken as representing agricultural and industrial prices respectively so far as India is concerned. The following chart shows the movements of these indices.

CHART XVIII.

Index Numbers of Declared Values of Exports and Imports.

[Base : 1927-28=100.]



N.B.—Figures from 1937-38 refer to British India excluding Burma.

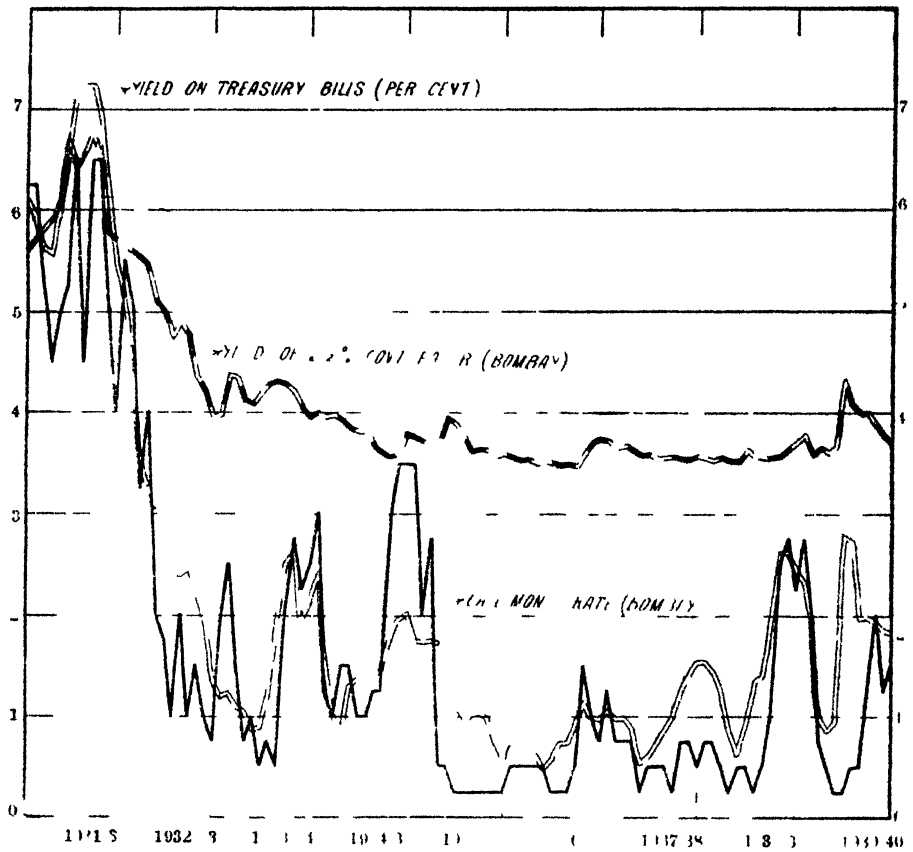
The index number of export values, with 1927-28 as the base, stood at 54 at the beginning of the year, as compared with 59 in April 1938. The preceding year had witnessed a marked deterioration of export values. During the first five months of 1939-40, however, the index number showed a noticeable improvement, reaching 60 in July and August 1939. This was mainly due to the rise in the prices of raw jute, jute manufactures and tea which took place in this period. The outbreak of war naturally

meant a heavy demand for various kinds of raw materials from India, but the effect of this on the declared values of exports was not revealed to the full extent in the first month of the war. This is explained by the fact that some of the exports during this month were probably in fulfilment of pre-war contracts and therefore at pre-war prices. However, in subsequent months export values showed a pronounced rising tendency. The index number rose continuously from 61 in September to 77 in December 1939 and after slightly receding to 75 in January 1940, advanced further to 83 in February, which was the highest level attained during the year. Here also, it will be seen that owing to the lag between wholesale prices and declared values, which arises because of the delay in the shipment of goods after their purchase, declared values of exports could show a rise in February in spite of the recession in Indian wholesale prices which had set in from January 1940. In March, however, the index declined to 72, which still meant a rise of 36 per cent as compared with the same month of the preceding year. The prices of imports, on the other hand, did not rise to the same extent as those of exports. During 1938-39, the spread between the two series had widened, because, as said above, India's imports consist mainly of manufactured articles and the recession which overtook primary commodities in that year did not affect manufactured articles to the same extent. Between March 1938 and March 1939, while export values fell by 10 per cent, the fall in import values amounted to 4 per cent only. During the year under review, however, the spread between the two series narrowed down considerably. The import index fell from 68 in April to 65 in June and after improving to 69 in August fell again to 65 in October. In view of the rise in wholesale prices which took place during the first two months of the war in most of the countries exporting to India, the decline in import values in those months can be explained partly by the time lag mentioned above and partly by the natural tendency at such times to import cheaper varieties of goods in a greater proportion than expensive varieties the production of which within the country becomes possible and consumption is discouraged owing to the rise in prices. The index rose to 69 in November and to 77 in the following month. From January 1940, import values registered a sharp rise, the index rising to 82 in that month It was slightly lower in February, but in March it rose again to 82. The rise in import values over the whole year (*i.e.*, between March 1939 and March 1940) amounted to 22 per cent as compared with the rise of 36 per cent in export values. Thus, the spread between the prices of exports and imports narrowed considerably during the year, which indicates an improvement in the terms of trade between India and other countries.

Financial Conditions. In respect of the technique used for financing war expenditure, the present war differs fundamentally from the last one in 1914-18. A rigorous control over interest rates has been an essential feature of the new technique and its success has been abundantly proved by the way in which the monetary authorities both in Great Britain and India have been able to maintain cheap money in spite of the vastly increased scale of public expenditure and the expectation of colossal borrowing by Governments. The sudden shift from the peace to the war economy no doubt caused a temporary dislocation of the money market, but normal conditions were soon

restored. The relatively steady tenor of the money market in the midst of the abnormal circumstances of the year under review can be seen from the chart below

CHART XIX.



The money market in India vinced a firm tone in the beginning of April 1939, when owing to the seasonal demand for money the inter bank call rate was quoted at 2¾ per cent Thereafter with the advent of the slack season the rate gradually receded to 2 per cent in May Monetary conditions were fairly easy in the next three months during which the market was well supplied with funds, partly because of the reflux of money from the interior and the purchases of gold by the Reserve Bank Towards the end of August when the Bank of England's discount rate was raised from 2 to 4 per cent, it was feared that the monetary authorities in India might take a similar action and lenders adopted a cautious attitude The result was a slight rise in interest rates The war scare in September which caused large current account withdrawals from banks accentuated the tendency, but the stringency was soon relieved when the market received large sums of money by way of proceeds of sales of sterling and gold to the Reserve Bank Call money was available

at ¼ per cent even in September. The rate improved to ½ per cent in October, but the rise was due more to the psychological influence of the approaching export season than to any marked revival of trade demand. The Bank of England rate was reduced to 2 per cent on the 25th October. Demand for funds increased in the following month, but not sufficiently to offset the effect of the continued influx of money due to the excess of maturities over renewals of treasury bills and the purchases of sterling by the Reserve Bank. Towards the end of November, however, the boom in silver and other commodity markets which had led to large sums of money being locked up in speculative holdings began to affect the money market and the rates hardened. Gradually the export season came into full swing and with the increasing demand for funds for financing the movement of crops, the call-rate firmed up to 1¼ per cent in December and 2 per cent in January 1940. The firmness was not maintained in February because the demand for funds soon slackened owing to the set-back in commodity prices and the general decline in speculative activity. In March, the seasonal factors again asserted themselves and the call-rate improved to 1½ per cent. As said above, an important factor which contributed to the easiness of credit conditions in India was the large acquisition of sterling by the Reserve Bank by open market purchases, while the excess of treasury bill maturities over renewals also gave occasional relief to the money market.

The discount on treasury bills was naturally influenced by the state of the money market described above. The average rate on treasury bills in April 1939 was R2·35 per cent per annum. This steadily decreased in the next three months as a result of the plentiful supplies of funds available in the market and the rate in July was as low as R0·86. In August, a slightly higher rate was paid. On the outbreak of war the short-term money market was temporarily disturbed and the effect of it was seen in the treasury bill rate which rose to R2·78 in September and remained at R2·72 in October. The market, however, gradually adjusted itself to war conditions and the rate came down to R1·98 in November, receding further to R1·96 in January, R1·86 in February and R1·83 in March. The fall in the treasury bill rate in these three months was significant, because it took place at a time when the busy season was in full swing. The total amount of treasury bills sold to the public by the Government of India by tender and by intermediates was R120·43 crores at an average rate of R1 13-9 per cent per annum, in the year under review as compared with R97·19 crores at an average rate of R1-10-0 per cent per annum, in the preceding year. The amount of treasury bills sold in favour of the Issue Department of the Reserve Bank of India also increased from R100·12 crores in 1938-39 to R104·94 crores in 1939-40. During the year under review, six Provincial Governments issued treasury bills amounting to R11·80 crores as compared with R5·70 crores issued by four Provincial Governments in the preceding year. The average yield of Provincial treasury bills was 2·58 per cent per annum in 1939-40 as against 1·82 per cent per annum in 1938-39.

The yield on 3½ per cent Government Paper is a fair index of the long-term interest rates. Under the circumstances prevailing during 1939-40, it was inevitable that there should be a rise in the yield on irredeemable securities ; but it is remarkable that the rise was so small as it was. In April 1939,

a yield of 3·78 per cent was obtainable on 3½ per cent paper. In the next four months the yield fluctuated between 3·60 and 3·66 per cent. The sharp fall in the prices of Government securities which took place after the declaration of war raised the rate to 4·29 per cent in September and it remained at 4·06 per cent. in October. With the gradual restoration of confidence and the consistent firmness of the London security market, the rate declined to 3·99 in November and after remaining steady at that level for one month, fell rapidly in the next three months. In March 1940, the yield amounted to 3·70 which was the same as that obtainable a year before. The prevalence of low interest rates in the midst of the disturbing conditions of 1939-40 was one of the most encouraging features of the financial situation. It clearly reflects the confidence of investors in the future of gilt-edged prices and also the efficacy of the new technique of financing the war.

The Reserve Bank rate remained unchanged at 3 per cent throughout the year.

Banking.—The annual average position of the scheduled banks in India and Burma in 1939-40 and 1938-39 is given in the following table :—

Scheduled Banks' Consolidated Position.

(In lakhs of Rupees.)

	1939-40	1938-39.	Difference between 1939-40 and 1938-39.
Demand liabilities in India and Burma . . .	1,39,57	1,30,01	+9,56
Time liabilities in India and Burma . . .	1,06,00	1,07,86	—1,86
Cash in India and Burma	7,06	6,65	+41
Balances with Reserve Bank	17,49	15,95	+1,54
Advances in India and Burma . . .	1,25,66	1,15,78	+9,88
Bills discounted in India and Burma . . .	5,25	4,84	+41

An increase in industrial activity normally involves an expansion of bank credit. During the year under review, the average demand liabilities of the scheduled banks increased by Rs. 9,56 lakhs and though time liabilities declined to some extent, the total deposit liabilities still showed an increase of Rs. 7,70 lakhs. Cash in hand and balances with the Reserve Bank rose by Rs. 41 lakhs and Rs. 1,54 lakhs respectively, with the result that the ratio of these two items to total deposit liabilities rose from 9·5 per cent in 1938-39 to 10 per cent in 1939-40. As could be expected, advances by scheduled banks expanded by Rs. 9,88 lakhs, which shows the increased demand for funds during the year under review. Bills discounted continued to be a small item in the scheduled banks' balance sheets, absorbing only Rs. 5,25 lakhs of their resources, though this figure was higher by Rs. 41 lakhs as compared with the preceding year. It was pointed out in the last year's Review that one of the difficulties in the way of the Reserve Bank making advances to scheduled banks was that the latter do not hold a sufficient quantity of re-discountable assets. Inadequate development of the bill market is a weakness of the Indian banking system and in order, therefore, to encourage an

increased use of inland bills of exchange, the Central Board of the Reserve Bank of India requested the Government in December 1938 to consider a reduction in the stamp duty on usance bills. The duty was reduced, with effect from 13th January 1940, to two annas for every one thousand rupees or part thereof, of the amount of usance bills payable not more than one year after date or sight. It is to be hoped that the reduction will encourage the growth of the bill market in the country.

The banking crisis in South India in June 1938 exposed certain vital defects in the Indian banking system and indicated the need for a comprehensive banking legislation. During the year under review, the Reserve Bank gave detailed consideration to the question and framed a banking bill which was circulated by the Government of India for the views of the public in January 1940 The object of the bill is to ensure proper working and financial soundness of banking institutions and to enable the Reserve Bank to co-ordinate the credit structure of the country and more fully to utilise the powers of extending credit provided by the Reserve Bank Act. The main features of this bill, as described in the Reserve Bank's Report on Currency and Finance for 1939-40 are as follows: In the first place, an attempt has been made to define banking in a simpler and clearer way than has been done in the Indian Companies Act. Secondly, the proposals seek to ensure that institutions calling themselves banks are started with sufficient minimum capital to enable them to operate on a scale large enough to make it possible for them to earn reasonable profits. Thirdly, the proposals visualise certain moderate restrictions on bank investments in order to protect the depositing public. Lastly, an endeavour has been made to expedite liquidation proceedings so that, in the event of a bank failing, the depositors may be paid off with the minimum delay and expense.

In 1939, the total number of scheduled banks (banks with a capital of Rs. 5 lakhs and above) increased from 56 to 59. Branch banking appears to be making steady progress. During the financial year 1939-40, the total number of offices, branches, pay offices, etc., of scheduled banks increased from 1,144 to 1,290, showing an increase of 146 offices. Under the Reserve Bank of India Act, the business relations of the Reserve Bank are confined to scheduled banks only. But a large part of banking business is carried on by non-scheduled banks which are outside the control of the Reserve Bank. On the 31st December 1938, there were operating in British India approximately 1,421 concerns which might be considered to be non-scheduled banks. Of these only 236 had paid-up capital and reserves of Rs. 50,000 or over. In their annual report for 1939, the Central Board of the Reserve Bank commented on the mushroom growth of banking companies in India which do not possess adequate resources to carry on their business successfully. During the financial year 1938-39, as many as 64 banks went into liquidation or otherwise became defunct. They had an authorised capital of one crore, but a subscribed capital of Rs. 23 lakhs and a paid-up capital of Rs. 18 lakhs only. During the previous two years a similar number ofbanks with poor capital and reserves likewise failed. The proposed banking legislation is intended to check this evil by ensuring the provision of an adequate capital structure for banking institutions.

General.

The increased trade activity during the year under review naturally created a heavy demand for currency. In 1939-40, the total absorption of rupee coin and currency notes amounted to Rs. 59·53 crores made up of an absorption of Rs. 10·08 crores of rupee coin and Rs. 49·45 crores of currency notes. During the first five months of the year, currency to the extent of Rs. 19·66 crores (Notes, Rs. 10·21 crores and Rupees, Rs. 9·45 crores) was returned from circulation, while in the following seven months, currency worth Rs. 79·19 crores (Notes, Rs. 59·66 crores and Rupees. Rs. 19·53 crores) was absorbed. It may be added that during 1914-15, the first year of the last war, there was a return of Rs. 12·71 crores from circulation as against the heavy absorption of currency during the year under review.

The combined average note circulation, excluding notes held in the Banking Department of the Reserve Bank, in India and Burma, amounted to Rs. 209 crores in 1939-40 as compared with Rs. 182 crores in 1938-39 or a rise of Rs. 27 crores. If average note circulation in India alone is taken, it amounted to Rs. 198 crores in the year under review as against Rs. 174 crores in the preceding year. In order to meet the increased demand for currency, the Reserve Bank expanded the total note issue from Rs. 211 crores in 1938-39 to Rs. 228 crores in 1939-40, or an increase of Rs. 17 crores, out of which the increase for India only amounted to Rs. 14 crores. The expansion was effected mostly against additional sterling securities which the Reserve Bank was able to purchase out of its accumulating sterling balances after the outbreak of war. Between September 1939 and March 1940 the Bank was able to add Rs. 53 crores to its sterling securities portfolio which had remained stationary at Rs. 59 crores during the preceding six months.

Exchange -The table below gives the average rate of exchange from Calcutta on London for Telegraphic Transfers (selling rate) for each month since 1929-30 :

	1929-30		1930-31		1931-32		1932-33		1933-34		1934-35		1935-36		1936-37		1937-38		1938-39		1939-40	
	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.
April . .	1	[illegible]	1	5[illegible]	1	5[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]
May . .	1	[illegible]	1	[illegible]	1	[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]
June . .	1	5[illegible]	1	[illegible]	1	[illegible]	1	5[illegible]	1	6[illegible]	1	6	1	6[illegible]	1	6[illegible]	1	[illegible]	1	[illegible]	1	5[illegible]
July . .	1	[illegible]	1	[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	[illegible]	1	[illegible]	1	5[illegible]
August . .	1	5[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	[illegible]	1	[illegible]	1	5[illegible]
September . .	1	5[illegible]	1	[illegible]	1	[illegible]	1	6[illegible]	1	6	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]	1	5[illegible]
October . .	1	5[illegible]	1	[illegible]	1	5[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]
November . .	1	[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]
December . .	1	5[illegible]	1	[illegible]	1	[illegible]	1	6[illegible]	1	6	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]	1	5[illegible]
January	1	5[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	[illegible]	1	5[illegible]	1	5[illegible]
February . .	1	[illegible]	1	[illegible]	1	6[illegible]	1	[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	5[illegible]	1	5[illegible]
March . .	1	5[illegible]	1	5[illegible]	1	6[illegible]	1	6	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	6[illegible]	1	5[illegible]	1	5[illegible]
Average rate during the year.	1	5·85	1	5·78	1	5·91	1	6·06	1	6·02	1	6·05	1	6·09	1	6·10	1	6·09	1	5·90	1	5·93

General.

India's exchange position improved considerably during the year under review. A growing favourable balance of trade and consequent accumulation of sterling resources in the hands of the Reserve Bank were the principal features of the exchange situation during 1939-40. The weakness which characterised the exchange market towards the end of 1938 had disappeared by March 1939 and a high degree of confidence had been established in the future trend of the rupee-sterling rate. The confidence was maintained in succeeding months. Indeed, the exchange market was rather dull in the first four months of the year under review, and the T. T. rate receded from 1*s.* $5\frac{15}{16}$*d.* in March 1939 to 1*s.* $5\frac{29}{32}$*d.* in April and remained steady at the level of 1*s.* $5\frac{7}{8}$*d.* in May, June and July. The slight decline in the first two months was, however, due to a seasonal shortage of merchandise export bills while the heavy remittance inquiry in connection with the import of silver in July was also partly responsible for keeping the rate at a lower level. In August the war began to cast its shadow, and merchants, being apprehensive of a possible dislocation of the foreign trade, expedited their shipments. The rate, therefore, immediately firmed up to 1*s.* $5\frac{23}{32}$*d.* in August. The Reserve Bank was able to buy £5,790,000 worth of sterling during August as compared with a monthly average of £521,000 during the preceding four months. Forward deliveries which were quoted at a discount a few months before, now showed a substantial premium over the spot quotation, thus indicating the market expectation of a further improvement in the rate. Immediately after the outbreak of war, exchange control was introduced. The Central Government promulgated the Defence of India Ordinance 1939, part XIV of which contained Financial Provisions, providing, *inter alia*, for (i) restrictions on purchases of foreign exchange, (ii) acquisition by the Central Government of foreign exchange (iii) restrictions on purchases and export of securities and (iv) acquisition by the Central Government of foreign securities. On the 4th September the Reserve Bank issued an explanatory memorandum to the public giving the general lines of the exchange control instituted in India. All foreign exchange transactions were required to be put through authorised dealers who were to carry out the Reserve Bank's directions regarding the purchase and sale of foreign exchange. No restrictions were placed on the purchase and sale of Empire currencies with the exception of Canadian, Newfoundland and Hongkong dollars, while the purchase and sale of non-Empire currencies was restricted to genuine trade purposes, travelling expenses and small personal remittances. Authorised dealers were informed that no business should be done by them except on the basis of the rates quoted by the London Control combined with the current rupee rate for sterling.

From October 1939 onwards, the monetary authorities in India had to make several important innovations in their technique of exchange management. Owing to the difficulty of obtaining cover in London for positions other than spot and the rise in discount rates there banks were reluctant to do forward business in the first few days of war. The Reserve Bank, therefore, announced on the 3rd October that it would be prepared in future to purchase sterling for forward delivery extending over a period of 90 days at $\frac{1}{32}$*d.* per month higher than its spot buying rate. This practice was unique in the currency history of the country. Within a week after this

announcement, the Reserve Bank raised its buying rates by $\frac{1}{16}d.$ both for spot and forward transactions. Immediately, the open market rates also rose by $\frac{1}{16}d.$ from 1*s.* $5\frac{29}{32}d.$ to 1*s.* $5\frac{31}{32}d.$ at which level they remained steady till the end of the year. In February 1940, the Reserve Bank decided to buy sterling at 1*s.* 6*d.* up to six months forward. Owing to freight difficulties, the volume of export bills was not satisfactory during this period, but there was a fair business in connection with the export of gold which kept the exchange rates steady. Another indication of the broadening of the functions of the Reserve Bank was provided when on the 16th October the Bank announced that the exporters of gold from India to the United States must surrender at least 34 dollars for each fine ounce of gold exported. The Bank also announced its readiness to buy dollars for spot delivery whether or not they were the proceeds of gold exports.

From the 14th September 1939, the Exchange Control in London kept the sterling-dollar rate pegged at \$4·02 to 4·04. This rate was slightly altered to \$4·02½ to 4·03½ on the 8th January 1940. The Exchange Control in London was prepared to buy dollars in exchange for sterling in unlimited amounts at this rate but was not prepared to sell them except for approved purposes. The holders of sterling balances in London, therefore, who were unable to convert them into dollars in London, sold them in the New York market at a lower rate. Thus, the sterling-dollar exchange came to be quoted at different rates in London and New York. The Exchange Control in London had, therefore, to take measures to make the official rate effective. As the rupee is linked to sterling, the Reserve Bank had also to take similar steps to prevent evasion of Control regulations issued in England. On the 9th March 1940, the Bank announced its scheme for the control of the foreign exchange proceeds of certain exports to the "hard currency" countries. The expression "hard currencies" means those currencies which are based on gold or are linked to currencies which are based on gold. The commodities affected were jute, jute manufactures and rubber, the exports of which to the hard currency countries were permitted provided a certificate was furnished from an authorised dealer in India that the proceeds of the transaction had been disposed of in a manner approved by the Reserve Bank of India. The object of the scheme was to obtain control of the foreign currency proceeds of the exports and also to see that full export proceeds of the goods were received. It was laid down that these commodities when exported to the hard currency countries must be financed either (*a*) by bills drawn in the currency of the country of import, (*b*) if the goods were sold on a rupee basis, by rupees laid down by sales of hard currencies to authorised dealers in India or London at Control rates, or (*c*) if sold on a sterling basis, by bills drawn on London under a credit registered with the Bank of England and containing a clause that the sterling required to meet the acceptances would be provided by a sale of foreign currency to the Bank of England at Control rates. A fair proportion of India's export trade is financed by Indian shippers drawing bills on their London houses or agents and not under credits, and in order, therefore, that the rules might not interfere with long-established methods of finance, special arrangements were made whereby such London Houses were permitted to give general letters of guarantee to the Bank of England undertaking to deliver the foreign

currency proceeds of all such shipments to the Bank of England at Control rates. As these new regulations were liable to lead to an increase in the practice of drawing bills in hard currencies, the Reserve Bank, in order to meet any possible difficulties that authorised dealers in foreign exchange might have in obtaining cover for their purchases of these currencies, agreed to purchase hard currencies, both ready and forward, on behalf of the Bank of England.

It has been pointed out above that sterling offerings to the Reserve Bank increased in volume from August 1939 onwards. From August 1939 to March 1940, the Reserve Bank was able to purchase sterling to the total amount of £70·5 million. For the whole year 1939-40, the Bank's purchases of sterling amounted to £72·6 million at an average rate of 1s. 5¾*d.* as compared with £25·5 million at an average rate of 1s. 5 15/16*d.* in the preceding year.

Movements in the exchange rate are closely related to the balance of trade and hence the improvement in the rupee-sterling rate during 1939-40 must be explained mainly with reference to the favourable balance which India enjoyed in her foreign trade during that period. As, however, for currency and exchange purposes, India and Burma form one unit, the balance of trade of both the countries together must be considered for a correct appreciation of the exchange position. The following table shows the combined balance of trade of British India and Burma with other countries.

Statement showing the balance of trade in merchandise of British India and Burma with other countries.

(In lakhs of Rupees.)

—	1937-38	1938-39			1939-40		
		April to August.	September to March	Total	April to August.	September to March	Total
Exports and Re-exports of merchandise.	2,02,60	71,48	1,08,77	1,80,25	80,97	1,40,63	2,21,60
Imports of merchandise	1,59,47	53,97	8[illegible],07	1,[illegible],04	60,85	8[illegible],69	1,44,54
Balance of trade in merchandise.	+43,10	+17,51	+25,70	+43,21	+20,12	+56,94	+77,06

The total balance of trade in merchandise of India and Burma together in the year under review amounted to R77,06 lakhs in favour of the two countries as compared with R43,21 lakhs in 1938-39, showing an increase of R33,85 lakhs. The increase in the balance of trade of India and Burma together was largely responsible for the favourable exchange position during the year under review.

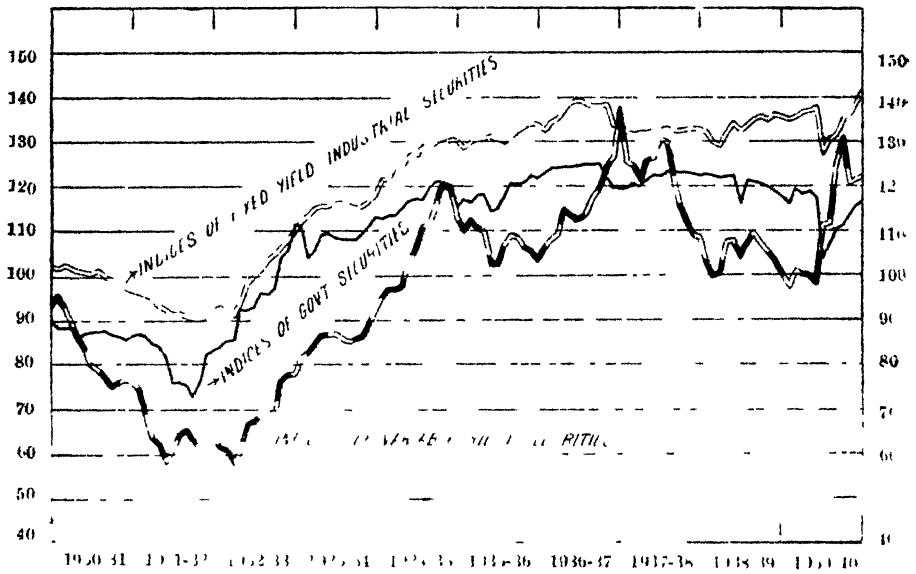
General.

Security Markets.—The following graph shows the movements of indices of Government securities, fixed-yield securities and variable-yield securities :—

CHART XX.

Index Numbers of Indian Securities.

[Base : 1927-28 = 100.]



Government Securities.—One of the healthiest signs of the financial situation during the year under review was the steadiness of gilt-edged prices in the midst of most disturbing circumstances. Political events in Europe no doubt dominated the prices of Government securities throughout the year, but it is worth noting that the market showed remarkable powers of resilience after every set-back. The German occupation of Czechoslovakia in March 1939 and the occupation of Albania by Italy in the following month were the first shock which the market suffered during the year. The prices of securities consequently deteriorated in March and April. 3½ per cent Government Paper was marked down to R95-13-0 in March and R93-4-0 in April. In May the quotation recovered to R95-6-0 and thereafter for two or three months it fluctuated within narrow limits. The declaration of war and the nervousness and uncertainty which prevailed in its initial stages brought about a collapse of security prices both in India and England and very low levels were reached in September and October. The average quotation for 3½ per cent Government Paper stood at R84-15-0 and R84-10-0 in these two months. In England the Bank of England fixed minimum prices for Government bonds. This was however, a temporary phase. The Bank of England's discount rate was raised to 4 per cent on the 24th August, but the two reductions which soon followed, one on the 28th September and the other on the 26th October, restoring the rate to the original level of 2 per cent,

clearly showed the determination of the monetary authorities in that country to maintain "cheap money" in spite of war conditions. This had a great psychological effect on the London security market which showed a smart recovery from November onwards. The minimum prices fixed by the Bank of England were soon exceeded. The Indian market also reacted to this stimulus and prices attained a higher level in every month from November 1939 to the end of the year. The quotation for 3½ per cent Paper advanced from R84-10-0 in October to R94-8-0 in March. Demand was equally keen for both long-dated and short-dated loans which showed the confidence of investors in the future of gilt-edged prices. On the 17th January, the British Treasury announced that the 4½ per cent Loan, 1940-44, would be repaid at an early date, the holders being offered as an alternative to repayment in cash, conversion of their holdings into a new Loan -- a short-term loan carrying interest at 2 per cent and maturing in 1943-45. The announcement of this 2 per cent loan made a profound impression on the market. The first defence loan of £300 million, maturing in 1955-59, floated by the British Government in March 1939 was similarly at the peace-time rate of 3 per cent. The strength of the gilt-edged market was largely due to the resolute pursuit of the cheap money policy by the monetary authorities in England and India, in the face of the growing demands on the money market on account of State and private expenditure.

The accumulation of sterling resources in the hands of the Reserve Bank gave the Government of India an opportunity to repatriate a portion of its sterling debt. The methods by which the sterling debt was repatriated may be briefly described as follows. Under one method, which was used in 1937 and which was revived in 1939-40, the Reserve Bank is authorised to purchase Indian sterling non-terminable securities in the open market out of its surplus sterling balances and to transfer the securities so purchased to the Government for cancellation. In their place additional rupee paper of the 3½ per cent and 3 per cent non-terminable loans is created which is issued gradually by the Reserve Bank in accordance with the requirements of the market. Another method is to offer the holders of all sterling loans the option of converting their holdings into rupee securities. On the 22nd February, it was announced that the Governor-General in Council had sanctioned the creation of new rupee loans as counter-parts of six India terminable sterling loans and that with effect from the 1st April 1940 and until further notice, the holders of these sterling loans would have the option of transferring their holdings from the books of the Bank of England to the Rupee registers of the Reserve Bank on terms to be announced by the latter from time to time. These terms allow a small margin, wherever possible in favour of the transferer. Under the first method, the Reserve Bank has to use its sterling balances, as the sterling securities are purchased for cash but the second method does not involve the use of sterling balances, as the holders are given the option of conversion. The combined use of these methods, therefore, enables the Government to repatriate more sterling debt than would have been possible if only the first method of cancelling sterling debt out of the accruing sterling balances of the Reserve Bank had been followed. By these means the Government hopes to bring about an appreciable substitution of sterling liabilities to non-residents by rupee liabilities to residents,

which will provide a valuable relief to their remittance programme. The total amount of sterling loan repatriated during 1939-40 came to £17,092,500, the nominal value of the Rupee Paper created against the sterling debt cancelled being R22,79,00,000.

In July 1939, the Government of India invited subscriptions for the second issue of 3 per cent 1963-65 loan at R98 per cent. The total amount offered for subscription in the form of cash or conversion of 5 per cent 1939-44 loan was R15 crores. In addition, offers for the conversion of 5 per cent 1940-43 bonds into the new loan were invited for an unlimited amount. The loan was fully subscribed. On the 15th July, the outstanding portion of the 5 per cent Loan, 1939-44, amounting to a little more than R20 crores was repaid in full. During the year under review, three Provincial Governments, namely, Madras, Central Provinces and the Punjab raised loans amounting to R1,50 lakhs, R75 lakhs and R2,50 lakhs respectively. All the three loans carried interest at 3 per cent. Both the Madras and Central Provinces Loans were issued at R98-8-0, but the former is repayable at par in 1959 and the latter in 1949. The Punjab loan was issued at R98-0 repayable at par in 1949.

Fixed-Yield Industrial Securities.—The index number of these securities (1927-28 = 100) registered a gradual rise from 135 in April 1939 to 138 in August. The improvement was probably due to a diversion of demand from variable-yield securities which were declining during this period. In September, the index number declined to 128 in sympathy with the fall in gilt-edged prices, but recovered to 131 within the next two months. The recovery became more pronounced from December onwards and at the end of the year, the index number attained the level of 141 which is the highest figure on record since 1927-28.

Variable-Yield Securities.—The trend of these securities during the year under review has already been discussed when dealing with industrial conditions and here only a brief description of the movement of this index may be given. Under the influence of adverse political situation, the index number of variable-yield securities (1927-28 = 100) declined to 98 in April 1939 and though it recovered slightly in the next three months, it fell again to 98 in August. In September however, the trend was reversed and share markets assumed a buoyant tone. The prospects of Indian industries looked bright owing partly to the additional protection which they were likely to derive from the reduction in imports and partly to the increased demand for their products. The index number, therefore, rose to 111 in September and continued to rise till it reached 131 in December. In January 1940, the setback in commodity prices and the announcement of the Excess Profits Tax brought about a sharp fall in share prices, and the index came down to 121 in that month. Subsequently, a steadier feeling prevailed, resulting in a slight rise in the index number to 122 in March 1940.

Trading Conditions.—India's foreign trade position showed a distinct improvement during the year under review, as judged by the total value of trade and the balance of trade. The total value of the foreign trade in private merchandise in 1939-40 amounted to R378 crores as compared with R322 crores in the preceding year and R363 crores in 1937-38. Thus, the total

trade of India was the largest in the last three years. The export trade received a strong impetus owing to the heavy demand created by the war for various kinds of raw materials and foodstuffs, though the shortage of shipping prevented the country from reaping the full benefit of the situation. It is worth noting that the increased off-take of Indian goods by the Allied and Empire countries more than made up the loss due to the cessation of trade with the enemy countries.

The total value of India's exports to all countries including Burma in the year under review amounted to R203 crores as compared with R163 crores in the preceding year and R181 crores in 1937-38. The value of imports also increased, but not to the same extent as that of exports. It amounted to R165 crores as against R152 crores in 1938-39 and R174 crores in 1937-38. The increased pressure on productive capacity in the Western countries, the cessation of trade with the enemy and the shipping difficulties necessarily caused a dislocation of the import trade. The increase in the value of imports is, therefore, remarkable, though it is mainly due to the rise in prices. In respect of the balance of trade, the position was distinctly satisfactory. During the preceding two years, 1937-38 and 1938-39, the balance of trade in merchandise had been reduced to R16 crores and R17 crores respectively. During the year under review, it increased to R48 crores. Thus, in spite of the abnormal conditions created by the war, India was able to enjoy more satisfactory trading conditions during the year under review than in the preceding two years.

The following table shows the changes in India's export trade in the main commodities :

Foreign trade of British India (excluding Burma) in respect of the principal commodities.

(In crores of Rupees)

Export of Merchandise.	1936-37	1937-38	1938-39			1939-40			Increase (+) or decrease (—) in 1939-40 as compared with	
			April Aug	Sept March	Total	April Aug	Sept.-Mar	Total	1938-39	1937-38
1. Grain, pulse and flour.	6·57	9·49	4·70	3·04	7·74	1·91	3·16	5·07	—2·67	—4·42
2. Tea . . .	20·22	24·39	8·67	14·62	23·29	8·39	17·69	26·08	2·79	+1·69
3. Hides and skins, raw	4·28	5·04	1·56	2·29	3·85	1·61	2·48	4·09	+0·24	—0·95
4. Seeds (including nuts for oils).	18·60	14·19	6·59	8·50	15·09	6·20	5·70	11·90	—3·19	—2·29
5. Cotton, raw and waste.	43·93	29·77	9·28	15·39	24·67	14·67	16·37	31·04	+6·37	+1·27
6. Jute, raw . .	14·77	14·72	3·81	9·59	13·40	4·79	14·94	19·73	+6·33	+5·01
7. Jute manufactures	29·10	29·08	10·66	15·60	26·26	13·84	34·85	48·69	22·43	19·61
8. Others . .	47·58	51·24	18·78	29·71	48·49	22·22	34·62	56·84	8·35	—2·60
GRAND TOTAL .	185·05	180·92	64·05	98·74	162·79	73·63	129·81	203·44	+40·65	+22·52

General.

The total value of India's export trade rose by R40,65 lakhs in the year under review as compared with the preceding year. A considerable part of this increase was due to the rise in the prices of exported articles which came about since July 1939 and which was further accentuated after the outbreak of war. Exports of jute manufactures which rose by more than 85 per cent in value and those of raw jute which increased by a little less than 50 per cent in value as compared with the previous year accounted for more than 70 per cent of the increase in the total value of the export trade. The increase of 50 per cent in the value of raw jute exports is all the more remarkable, because in volume they were smaller by 17 per cent as compared with the preceding year. Raw jute and jute manufactures were the first among all the articles of export to reap the benefit of war conditions. The demand for both raw jute and jute manufactures would have been considerably higher than what it was but for the fact that the continuous stream of Government orders during the first three months of the war gave rise to hectic speculation and prices were pushed to levels which were out of all proportions to the intrinsic value of jute as a packing material. This had an injurious effect on the demand from overseas customers. Exports of raw cotton and waste showed a gain of R6.37 lakhs. Most of this was achieved during the first five months of the year when owing to the serious uncertainty created by the American export subsidy, exports of cotton from America fell off and the gap was filled by other growths. The next important increase was under tea, amounting to R2,79 lakhs. During the last four months of the year under review, exports of tea from India showed a considerable advance as compared with the corresponding period of the previous year, which was mainly due to the increase in the export quota to 95 per cent shortly after the outbreak of war and increased demand from the United Kingdom and other markets. The stocks of tea in London had fallen to a very low level on the eve of the war and the Ministry of Food had to take immediate steps to replenish them. Reference has already been made above to the short-term contract made by the Ministry of Food with the tea producers in India in October 1939 under which a large proportion of the exportable surplus of tea in India was purchased for the United Kingdom. Exports of raw hides and skins, though smaller in volume, were valued at R24 lakhs more than in the previous year, owing to the rise in prices. The only important items to show decreases were seeds and grain, pulse and flour. The decrease in the exports of oilseeds was due to the dislocation of trade with the European markets on which they were mainly dependent. The loss under grain, pulse and flour is explained by the fall in the exports of wheat and rice. Since November 1938 Indian wheat was practically excluded from the world market by the bumper supplies from Canada, the United States and the Argentine. Consequently, exports of wheat from British India during 1939-40 were reduced to only 3 per cent of their volume in the preceding year. Exports of rice also fell off to some extent owing to the short crop of 1938-39 season. Thus, it will be seen that with the exception of these two items, namely, oilseeds and grain, pulse and flour, Indian exports under most of the staple commodities recorded considerable increases in value in the year under review as compared with the preceding year.

General.

The following table gives the total value of the import trade under the important articles :—

(In crores of Rupees)

Imports of Merchandise	1936-37	1937-38	1938-39 April Aug	1938-39 Sept March	1938-39 Total	1939-40 April Aug	1939-40 Sept March	1939-40 Total	Increase (+) or decrease (—) in 1939-40 as compared with 1938-39	Increase (+) or decrease (—) in 1939-40 as compared with 1937-38
1 Provisions and oilman's stores	[illegible] 27	2 60	0 [illegible]	1 58	[illegible] 48	0 [illegible]	1 [illegible]	[illegible]	[illegible]	+0·03
2 Sugar	0 [illegible]	0 1[illegible]	0 07	0 39	0 46	1 [illegible]	1 34	[illegible]	+ [illegible]	+3 13
Oils	16 16	18 70	6 3[illegible]	9 [illegible]7	15 62	7 16	11 46	18 [illegible]	3 0[illegible]	—0·06
4 Cotton raw and waste	5 [illegible]	1 13	4 8[illegible]	3 66	[illegible] 51	3 14	4 [illegible]	8 0[illegible]	— 4[illegible]	—4 03
Chemicals drugs and medicines	4 [illegible]	6 06	[illegible]	[illegible]	[illegible] 62	[illegible]	4 [illegible]	[illegible]	+1 [illegible]	+1 44
6 Cutlery hardware implements and instruments (excluding electrical instruments and apparatus)	5 46	6 84	2 [illegible]	[illegible]	5 [illegible]	[illegible] 63	[illegible]	[illegible]	—[illegible]	—1 27
Dyes and colours	4 01	4 [illegible]	1 [illegible]	2 68	0 [illegible]	[illegible]	[illegible]	4 6[illegible]	+[illegible]	—0 32
8 Machinery including belting for machinery	13 36	1[illegible]	7 [illegible]	11 80	1[illegible] 72	7 62	[illegible]	1 [illegible]	—[illegible]	—2 1
9 Metals—iron and steel and manufactures	5 2[illegible]	[illegible] 0	[illegible]	[illegible]	[illegible]	[illegible]	14	[illegible]		—[illegible] 18
10 Metals—other than iron and steel and manufactures	3 [illegible]3	5 16	1 8[illegible]	[illegible] 2[illegible]	1 [illegible]	1 [illegible]	[illegible]	4 [illegible]	+[illegible]	—0 42
11 Paper pasteboards stationery	[illegible] 30	[illegible] 6	1 41	[illegible] 49	0 [illegible]	1 [illegible]	[illegible]	4 11	0 1	—0 8[illegible]
12 Vehicles	6 [illegible]	[illegible]	[illegible]	4 [illegible]	[illegible]	[illegible]	[illegible]	6 8[illegible]	0 1[illegible]	—[illegible]
13 Cotton yarn and manufactures	1 [illegible]	1[illegible]	[illegible]	[illegible]	4 1[illegible]	6 [illegible]	[illegible]	14 0	[illegible] 10	—1 [illegible]
14 Other yarns and textile fabrics	[illegible] 5	11 74	2 41	4 64	[illegible] 0[illegible]	[illegible]	[illegible]	[illegible]	1 6[illegible]	—[illegible]
15 Others	4[illegible] 96	4[illegible] 7[illegible]	18 [illegible]	20 16	47 1[illegible]	[illegible] 81	31 11	4 [illegible]	[illegible]	+[illegible] 18
GRAND TOTAL	141 70	1[illegible]	[illegible]	[illegible]	1 2 33	0 [illegible]	4 7[illegible]	16 [illegible]	1[illegible] 4	—8 52

The principal articles under imports which registered declines during the year under review as compared with the preceding year were raw cotton, cutlery, hardware, implements and instruments, machinery iron and steel and cotton yarn and manufactures The decline in the imports of raw cotton and waste, amounting to R46 lakhs, is easily explained by the recession in the cotton mill industry in the earlier part of the year and the increase in the import duty on raw cotton In the case of cutlery, hardware, implements

and instruments the increased imports from Japan and the United States did not completely offset the reduction in imports from the United Kingdom, Germany and other Continental countries which were important sources of supply before the outbreak of war. Imports of certain classes of machinery from the United States showed a marked increase during the year, but those from other countries fell off heavily. Thus the total imports of machinery were reduced by R4,35 lakhs at a time when the country required larger imports to meet the needs of industrial expansion. The reduction of R59 lakhs in the imports of iron and steel was mainly due to the increased domestic requirements of the United Kingdom and the Continental producers. The import trade in cotton piecegoods was severely hampered by the high replacement prices quoted by foreign manufacturers, though imports of cotton yarn, which came mainly from China and Japan, showed a substantial increase. Among the articles of import which recorded an increase in value, the increased imports of sugar were necessitated by the short crop of the 1938-39 season. Oils of all kinds were imported in larger quantities, as a result of the increased industrial activity in the country during the year under review. The increase in the imports of chemicals and dyes and colours by R1,88 lakhs and R64 lakhs respectively is noteworthy in view of the apprehensions felt in the first few months of war on account of the temporary shortage of these articles. Taking figures for the months, September to March only, imports of bleaching powder increased from 123,000 cwts. in 1938-39 to 145,000 cwts. in 1939-40; those of sodium carbonate from 851,000 cwts. to 927,000 cwts. and those of caustic soda from 329,000 cwts. to 454,000 cwts. Coal tar dyes used to be imported mainly from Germany and hence the imports of these dyes fell to 4·97 million lbs. during the seven months following the outbreak of war as against 7·99 million lbs. in the corresponding months of 1938-39. The United Kingdom, Switzerland, Japan and the United States largely filled the gap left by Germany. Imports of metals other than iron and steel increased by R58 lakhs in 1939-40. The increase of R21 lakhs under paper, pasteboard and stationery took place mainly before the outbreak of war, the imports since September 1939 being lower both in quantity and value than in the corresponding period of the preceding year, notably under the head "Old Newspapers". The increase under vehicles was due to larger imports of carriages and carts not mechanically propelled, motor omnibuses, air-craft and parts of mechanically propelled vehicles. As regards the imports of yarns and textile fabrics other than cotton which increased by R1 67 lakhs, the increase was particularly marked in the case of raw wool and artificial silk yarn and piecegoods. Raw wool was in keen demand since the outbreak of war while imports of artificial silk yarn and piecegoods swelled owing to increased arrivals from Japan. As a result of these changes, the total value of India's import trade during 1939-40 increased by R12,94 lakhs as compared with the preceding year.

Balance of Trade.—In dealing with India's exchange position, the balance of trade was considered for India and Burma together as these countries form one currency and exchange unit. But in discussing India's trade position, it may be interesting to show the balance of trade of India (proper)

excluding Burma. The following table shows the trade in merchandise and treasure (both private) for the last four years :—

	(In R lakhs)							
			1938-39			1939-40		
	1936-37	1937-38	April to August	September to March	Total	April to August	September to March	Total
Exports of Indian Merchandise (private)	+185,05	+180,98	+64,05	98,74	+162,79	73,63	+129,81	+203,44
Re-exports of Foreign merchandise (private)	+7,94	+8,28	+2,11	+4,31	+6,42	+3,50	6,14	+9,64
Imports of Foreign merchandise (private) (a).	—141,10	—173,93	—59,57	—92,22	—151,79	—70,11	—94,64	—164,75
Balance of Trade in merchandise (private)	+51,19	+15,88	+6,59	+10,83	+17,42	+7,02	+41,31	+48,33
Gold (private)	+27,86	+16,34	+7,68	5,38	+13,06	+7,1	+27,54	+34,67
Silver (private)	—14,39	—2,26	—89	—86	—1,75	—2,20	—2,54	—4,74
Currency Notes (private)	+24	+28	+18	+40	58	+20	14	34
Balance of transactions in treasure (private)	+13,71	+14,36	+6,07	+4,92	+11,89	5,13	+25,14	+30,27
TOTAL VISIBLE BALANCE OF TRADE	+64,90	+30,24	13,56	15,75	29,31	12,15	+66,45	78,60

NOTE.—The sign + means net exports and the sign — net imports.
(a) Exclusive of the value of railway materials imported direct by State Railways working under company management which was not paid for in the ordinary way and was not therefore taken into account in arriving at the balance of trade

The merchandise balance of trade in favour of India in the year under review increased to R48,33 lakhs as compared with R17,42 lakhs in the preceding year and R15,88 lakhs in 1937-38. During the year under review, India's net exports of gold amounted R34,67 lakhs as against R13,06 lakhs in the preceding year and R16,34 lakhs in 1937-38. Though imports of silver also increased, the balance of transactions in treasure still remained high at R30,27 lakhs as against R11,89 lakhs in 1938-39 and R14,36 lakhs in 1937-38. If these transactions in treasure are added to the merchandise transactions, the total visible balance of trade in favour of India amounts to R78,60 lakhs in 1939-40 as compared with R29,31 lakhs and R30,24 lakhs in 1938-39 and 1937-38 respectively. India's balance of trade position was thus distinctly better during the year under review than in the preceding two years. It may be added that the visible balance of trade of India in 1939-40 was the highest in the last four years.

Shipping.—The effects of war were nowhere more severely felt than in the case of shipping. The sinking of certain ships by enemy submarines just after the outbreak of war created serious apprehensions about the trade

with European countries. Thanks to the valiant efforts of the British Navy, however, the submarine menace was soon checked and with the introduction of the convoy system aided by the air force, conditions gradually improved. Nevertheless, the shortage of shipping space and a great increase in freights and war risk insurance rates continued to hamper the export trade in many commodities. The marginal table gives the tonnage entered and cleared with cargoes in India (proper) excluding Burma. The figures for 1939-40, though smaller than those for the previous year, are still considerably better than could be expected under the abnormal conditions prevailing since the declaration of war. The tonnage entered amounted to 9,232,000 tons or 199,000 tons less than in 1938-39. Similarly the tonnage cleared was 598,000 tons less than in the previous year. In April 1940 British shipping was diverted from the Mediterranean route to the route *viâ* the Cape of Good Hope which further increased the shortage of freight space.

Foreign shipping (excluding Burma)

—		Tonnage entered with cargoes	Tonnage cleared with cargoes
		Tons (000)	Ton (000)
1935-36		[illegible]	[illegible]
1936-37		8,91[illegible]	9,107
1937-38		9,040	9,5[illegible]1
1938-39	Apl.-Aug.	3,683	3,[illegible]1
	Sept.-Mar.	5,748	5,741
	Total	9,431	[illegible]57
1939-40	Apl.-Aug.	4,385	4,1[illegible]6
	Sept.-Mar.	4,847	4,893
	Total	9,232	9,0[illegible]

The Quantum of Trade of India.—With the separation of Burma the figures of the quantum of trade which were calculated from 1927-28 to 1936-37 could no longer be used to illustrate the changes in the volume of trade with India proper. The labour involved in recalculating these figures for all the years from 1927-28 would be enormous and it has not been possible to undertake it. Figures on the basis of India proper have, however, been calculated for the last five years and for 1927-28 which was the base year of the earlier series and are given in the table below. These statistics are necessarily approximate, being estimates based on an examination of only a part of India's foreign trade.

Year	Quantum of Exports	Quantum of Imports
	R (crores)	R (crores)
1927-28	291·9 (100·0)	254·7 (100·0)
1935-36	261·0 (89·4)	232·6 (91·3)
1936-37	320·7 (109·9)	219·4 (86·1)
1937-38	301·0 (103·1)	243·7 (95·7)
1938-39	295·5 (102·2)	226·0 (88·7)
1939-40	309·1 (105·9)	230·5 (90·5)

The above statistics of the quantum of trade have an additional interest during the year under review in view of the wide fluctuations in prices which took place after September 1939. As far as can be judged from these approximate figures, it seems that India's exports and imports were higher in 1939-40 not merely in value but also in volume. The index relating to the

quantum of exports was 105·9 in 1939-40 as compared with 102·2 in 1938-39. Similarly, the index showing the quantum of imports was 90·5 in 1939-40 as against 88·7 in 1938-39.

Inland Trade.—India's internal trade recorded a considerable increase in volume during the year under review. The following table shows the quantity of inland trade in certain important articles from 1933-34. Figures for earlier years are not available as the collection of inland trade statistics was only resumed in that year.

Inland Trade.

(Figures in 000 mds.)

——	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40
Coal and coke	345,964	378,184	386,792	397,864	464,289	449,854	496,513
Cotton, raw	20,516	21 474	23,574	29,207	19,185	19,738	20,712
Cotton piecegoods	9,441	9,898	10,132	10,521	11,190	11,077	11,294
Grain, pulse and flour	107,103	125,270	115,333	129,235	131,900	131 272	143,356
Hides and skins, raw	2,691	2,432	2,506	3,157	2,970	2,679	3,383
Jute, raw	32,077	25,390	29,034	38,225	32,574	31,497	32,767
Gunny bags and cloth	4,478	4,267	4,511	5,152	5,336	5 218	5,484
Iron and steel, bars sheets, girders and other commercial forms of iron.	30,392	33,826	40,504	39,318	38,655	41,894	41,986
Oilseeds	46,650	39,311	35,697	43,777	39,646	50 063	43,775
Sugar (including gur, rab, etc.) . .	29,152	27,915	31,261	40,391	39,485	38 076	28,949
TOTAL .	628,464 (100)	667,967 (106)	679,344 (108)	736,847 (117)	785,227 (125)	781,168 (124)	828,219 (132)

The total quantity of inland trade in important commodities increased from 781 million maunds in 1938-39 to 828 million maunds in the year under review. All the commodities for which figures are recorded shared in this increase, except oilseeds and sugar. The increase was most marked in the case of coal and coke and grain, pulse and flour, amounting to 46 million maunds and 12 million maunds respectively. On the other hand, the inland trade in oilseeds declined by more than 6 million maunds and that in sugar by 9 million maunds. On the whole, the internal trade activity was distinctly better during the year under review than at any time in the preceding six years.

General.

The condition of internal trade can also be judged to some extent by the statistics of railway earnings and traffic published by the Railway Board. The following table shows these figures from 1928-29 :—

Statement showing gross earnings and total wagons loaded from 1928-29 to 1939-40.

Year	Gross earnings State-owned Railways. (excluding Burma Railways.)	Total wagons loaded*
	R (crores)	(000)
1928-29	99·61	6,993
1929-30	97·53	6,898
1930-31	90·40	6,632
1931-32	82·54	6,098
1932-33	82·11	5,996
1933-34	84·64	6,489
1934-35	87·24	6,850
1935-36	88·36	6,962
1936-37	92·04	6,900
1937-38	94·85	7,161
1938-39	94·36	7,225
1939-40	98·44	7,509

* These include Burma Railway figures upto 1935-36.

The gross earnings of State Railways during the year under review exceeded the total for the previous year by 4 crores and were higher than in any year since 1929-30. Similarly, the total number of wagons loaded in 1939-40 were the highest recorded in the last twelve years. The increase in internal trade activity which came about after the outbreak of war mainly accounts for this remarkable improvement in railway traffic during the year under review.

Trade Restrictions.—Soon after the declaration of war, the Central Government imposed restrictions on the export trade in a large variety of articles. Trading with the enemy was already an offence under the Defence of India Act, 1939, but in addition steps had to be taken to see that supplies did not reach the enemy by indirect channels. Steps had also to be taken to conserve supplies of all essential articles, whether for the requirements of this country or for those of the Allied countries. With these objects in view, an elaborate system of export restrictions was devised. Exports of certain articles were completely prohibited, and those of certain others were permitted only under licence. Export licences were issued for some articles by the Department of Supply and for others by the Export Trade Controller. In cases where the ruling considerations were those relating to economic warfare rather than to supply problems, it was provided that no licences were required if the articles were consigned to or destined for any part of the British Empire including Mandated Territories. Among the articles the exports of which were restricted mainly for conservation of supplies, raw wool and mica deserve special mention. Exports of black, grey and coloured wool were completely

prohibited, while those of white and yellow wool were permitted only to the United Kingdom, subject to certain concessions in respect of consignments covered by firm contracts entered into before the restrictions were imposed. Mica is an important material for munition production. In order, therefore, that adequate supplies should be available for the requirements of the Allied forces, the Government of India prohibited the export of block mica to all countries other than those in which munitions were being prepared for the use of those forces. Other details regarding export restrictions will be found in the Notification No. 65-C.W. (9)-40, dated the 15th May 1940, as amended by subsequent notifications, up to 14th September 1940, which is given in the Appendix for reference.

The following table shows the exports of some important articles subjected to export restrictions during the period, September to March 1939-40 as compared with those in the corresponding period of 1938-39.

Statement showing the exports from British India, of some important articles, subjected to export restrictions, during the periods September to March 1938-39, and 1939-40.

Articles.	Unit.	Quantity.		Value—R(000)	
		September—March.		September—March.	
		1938-39.	1939-40.	1938-39.	1939-40.
1. Cordage and rope of vegetable fibre (*excluding* jute and cotton) .	Cwts. (000)	30	42	4,81	6,76
2. Wool, raw . . .	Lbs. (000)	39,487	29,659	2,13,45	1,94,32
3. Mica—all sorts . .	Cwts. (000)	102	115	74,15	1,14,26
4. Myrobalans and extracts thereof . . .	,, ,,	933	724	30,75	29,99
5. Hides and skins, raw .	Tons	20,401	18,025	2,26,03	2,48,64
6. Hides and skins, tanned or dressed . .	,,	11,769	18,450	2,60,16	4,30,83
7. Chromite (chrome iron ore) . . .	,,	8,172	18,512	2,93	5,75
8. Iron ore . .	Tons (000)	300	41	20,40	5,00
9. Manganese ore . .	,, ,,	275	427	67,20	1,10,80
10. Pig iron . . .	,, ,,	351	331	1,74,90	1,65,40
11. Steel bars . . .	Tons	1,977	6,416	2,50	9,59
12. Iron—sheets and plates	Tons (000)	10	24	21,10	45,00

General.

Articles.	Unit.	Quantity. September—March. 1938-39.	Quantity. September—March. 1939-40.	Value—R(000) September—March. 1938-39.	Value—R(000) September—March. 1939-40.
13. Iron, old for re-manufacture . . .	Tons (000)	36	21	11,11	7,89
14. Vegetable oils, non-essential . . .	Galls. (000)	3,512	4,327	45,23	74,31
15. Oilcakes . . .	Tons (000)	295	169	2,00,93	1,21,37
16. Paraffin wax . .	Tons	6,276	5,301	26,10	23,70
17. Rubber, raw . .	Lbs. (000)	10,855	14,310	46,50	64,00
18. Rubber manufactures .	—	—	—	1,82	6,33
19. Seeds	Tons (000)	668	369	8,52,60	5,46,25
20. Cotton, raw and waste .	,, ,,	320	263	15,38,70	16,37,50
21. Cotton twist and yarn .	Lbs. (million)	23	19	1,09,70	1,04,50
22. Cotton handkerchiefs and shawls in the piece . . .	No. (000)	256	588	850	17,50
23. Hosiery . . .	—	—	—	87	3,69
24. Cotton piecegoods .	Yards (million)	102	144	2,78,70	3,92,70
25. Cotton manufactures other sorts . .	Lbs. (000)	2,799	3,080	13,30	17,50
26. Hemp, raw . . .	Cwts. (000)	483	436	43,60	58,00
27. Jute, raw . . .	Tons (000)	478	381	9,58,70	15,05,60
28. Jute, twist and yarn	Lbs. (000)	2,222	2,986	2,91	5,38
29. Gunny bags . .	No. (million)	361	805	7,59,90	18,10,90
30. Gunny cloth . .	Yds. (million)	880	985	7,75,20	16,34,20
31. Jute-rope and twine and manufactures —other sorts . .	Cwts. (000)	152	213	21,17	39,81
32. Woollen manufactures Carpets and rugs .	Lbs. (000)	5,606	3,204	49,40	30,70
33. Lac	Cwts. (000)	418	402	85,33	1,25,35
34. Coir-yarn mats and mattings, and coir manufactures,—other sorts . . .	,, ,,	388	504	51,39	75,94
TOTAL .	—	—	—	69,60,04	96,69,46

General.

Trade Agreements.—The Provisions of the Indo-British Trade Agreement, 1939, which came into effect from the 1st April 1939, were described in the last year's Review.

The Protocol to the Indo-Japanese Trade Convention of 1937 governing imports of Japanese cotton piecegoods into India expired on the 31st March 1940. Pending a new Protocol, the Japanese delegate announced his Government's intention of continuing to regulate exports of cotton piecegoods to India on a monthly basis and with regard to imports of raw cotton into Japan, as while the Protocol existed, but with the important modification that the calculations would be made on the basis of annual exports of 400 million yards of Japanese piecegoods instead of the former figure of 358 million yards. In announcing this, the Japanese Government added the proviso that if and when a new Protocol was drawn up, shipments made on the provisional basis would be re-calculated and readjusted with retrospective effect from April 1, 1940. The Government of India took note of this declaration but felt themselves unable to accord their formal agreement to the proposal, though they added that they had no present intention of taking any counter measure.

The Government of Burma gave notice on the 1st April 1940 to terminate the Trade Regulation Order governing trade between India and Burma with effect from the 1st April 1941. The Order which has been in operation since the 1st April 1937, when Burma was separated from India, provides for the maintenance of *status quo ante* in trade and tariff matters between the two countries.

Under the Indo-British Trade Agreement, 1939, Ceylon was to enjoy the Ottawa Schedule of preferences for a period of six months after the Agreement came into operation. The six months expired on the 15th February 1940 on which date the interim arrangement came to an end, and each country became free to abolish existing preferences in favour of imports from the other country. Neither country, however, took advantage of the liberty so re-gained.

Tariff Changes.—The changes in the tariff made under the various Acts passed during the latter part of 1938 and the earlier part of 1939 were dealt with in the preceding year's review. Since then four Acts have been passed introducing certain changes in the tariff.

As stated in the last year's Review, the revised protective duty on imported wood pulp came into force on the 21st April 1939, and all the other protective duties imposed or extended by the Indian Tariff (Second Amendment) Act, 1939, were brought into force with effect from the 1st April 1939, in virtue of a declaration made under the Provisional Collection of Taxes Act, 1931. The Indian Tariff (Fourth Amendment) Act, 1939, which received the assent of the Governor General on the 26th September 1939, made this declaration applicable to the import duty on wood pulp and also validated the duty levied and collected on the import of wood pulp during the period 1st April to 20th April 1939. It also added an alternative duty of 25 per cent *ad valorem* to the existing specific duty on perfumed spirits.

General.

The Indian Finance Act, 1940, which received the assent of the Governor General on the 6th April 1940, raised the rate of excise duty on sugar other than *Khandsari* or palmyra sugar produced on or after the 1st day of March 1940, from R2 to R3 per cwt. which automatically increased the import duty by the same amount. The Act also raised the excise duty on motor spirit produced in a manufactory in British India from eight annas to twelve annas per imperial gallon but provided at the same time that the additional duty of 25 per cent which was so long leviable on motor spirit under section 5 of the Indian Finance (Supplementary and Extending) Act, 1931, should cease to have effect. The rate of import duty leviable on motor spirit was also changed to "the rate at which excise duty is for the time leviable on motor spirit". The changes mentioned above became effective from the 1st March 1940, under the provisions of the Provisional Collection of Taxes Act, 1931.

With a view to ensuring supplies for the important tanning industry the Government of India have decided to purchase a reserve stock of wattle bark. In order to safeguard Government against possible losses on the liquidation of this reserve, the Indian Tariff (Amendment) Act, 1940, which received the assent of the Governor General on the 10th April 1940, imposed as a temporary measure, a revenue duty of three per cent *ad valorem* on imports of barks for tanning which were so long admitted free of import duty.

As a result of a careful watch on the statistical position, the Government of India were satisfied that no change had taken place to justify the protective duties on wheat, wheat flour and broken rice being allowed to lapse at the end of March 1940. The Indian Tariff (Second Amendment) Act, 1940 which received the assent of the Governor General on the 10th April 1940, but came into effect on the 22nd March 1940, under the Provisional Collection of Taxes Act, 1931 therefore, extended the existing import duties on these commodities for a further period of one year, *viz.*, upto the 31st March 1941. Owing to war conditions the prices of silk and silk manufactures had advanced sufficiently to satisfy the recommendations of the majority of the Tariff Board in their Report regarding the grant of protection to the Sericultural Industry and the Government of India found it impossible in the present position of uncertainty to form any decision as to a long term policy. This Act, therefore, extended for a further period of two years *viz.*, upto 31st March 1942, the existing protective duties on silk and certain manufactures of silk assessable under Tariff items Nos. 46, 46(1), 47, 47(1), 48 and 48(1) of the Indian Customs Tariff.

As was explained in the last year's Review, the Indian import duties on cotton piecegoods were linked with the off-take of Indian cotton by the United Kingdom and of the United Kingdom cotton piecegoods by India. As the total quantity of cotton piecegoods imported from the United Kingdom and retained in India during the cotton piecegoods year 1st April 1939, to 31st March 1940, did not exceed 350 million yards as computed in accordance with Article 10 of the Trade Agreement between His Majesty's Government in the United Kingdom and the Government of India, signed in London on the 20th March 1939, the Government of India by Commerce Department Notification No. 20-T(17)/39, dated the 16th April

1940, reduced with effect from the 17th April 1940, the rates of duties on cotton piecegoods of British manufacture shown under item Nos. 48(3) and 48(9) of the First Schedule to the Indian Tariff Act, 1934 (XXXII of 1934) by 2½ per cent *ad valorem*. By the same notification the alternative specific duty on grey piecegoods (excluding bordered grey chadars, dhuties, saries and scarves) of British manufacture was reduced from 2—5/8 annas to 2—3/16 annas per lb.

Reference was made in the last year's Review to the Coal Mines Safety (Stowing) Bill, 1939, and the provision made therein relating to the creation of a fund by levying an excise duty on coal for assistance towards stowing. The Coal Mines Safety (Stowing) Act, 1939, which received the assent of the Governor General on the 21st April 1939, provides, *inter alia*, that there shall be levied and collected on all coal raised and despatched, and on all soft coke manufactured and despatched, from collieries in British India a duty of excise as may be fixed from time to time subject to a maximum rate of 3 as. per ton; similarly, there shall be levied and collected on such descriptions of hard coke as may be prescribed a duty of excise as may be fixed from time to time subject to a maximum rate of one and a half times the rate of excise duty for the time being in force in respect of coal and soft coke. In accordance with the provisions of this Act, Notification No. M-955(1) dated the 17th October 1939, issued by the Government of India in the Department of Labour, imposed with effect from the 1st December 1939, an excise duty of 2 as. per ton on coal and soft coke and 3 as. per ton on hard coke.

In order to place the Imperial Council of Agricultural Research in a more secure financial position and to provide for the steady development of research a larger and more stable income which would comparatively be unaffected by the financial vicissitudes of the Government of India was considered necessary. It was accordingly proposed to obtain funds from an export cess levied at the rate of ½ per cent on the value of certain agricultural commodities which were not already subject to an export duty or cess. The Agricultural Produce Cess Act, 1940, which received the assent of the Governor General on the 15th April 1940, was designed to implement this proposal and it imposed a cess by way of Customs duty at the rate of ½ per cent *ad valorem* on the following specified articles on exportation from British India.

Bones, bristles, butter, cereals other than rice and wheat, drugs, fibre for brushes, fish, fruits, ghee, hides (raw), manures, oilcakes, pulses, seeds, skins (raw), spices, tobacco (unmanufactured), vegetables, wheat, wheat flour and wool (raw).

CHAPTER II.

Imports of Merchandise.

The following table shows the comparative importance of the principal articles imported into British India :—

Imports.

(In thousands of Rupees)

—	1937-38	1938-39	1939-40	Percentage on total imports of merchandise in 1939-40
Cotton and cotton goods	27,68,17	22,66,20	22,10,34	13·37
Grain, pulse and flour	12,16,85	13,[illegible]6,46	21,80 54	13 19
Oils	18,69,99	15,62,41	18,62,31	11·27
Machinery and millwork	17,14,93	19,04 78	14,66,95	8·88
Metals and ores	13,39,34	10 86,52	10,87,30	6 58
Vehicles	8,92,30	6,68,20	6,87,07	4·16
Instruments, apparatus and appliances.	6,13,36	5,85,31	5,57,79	3·37
Artificial silk	4,87,49	2,[illegible]3,62	4,58,08	2·78
Chemicals	3,32,82	3,05,21	4,51,76	2 73
Dyeing and tanning substances	3,94,06	3,17,20	3,60,86	2·18
Paper and pasteboard	4,14,71	[illegible] 22,93	3,45,92	2 09
Sugar	18,60	45,58	3,31,58	2·01
Wood and timber	2,98 [illegible]	2,86,60	2,60,73	1·63
Provisions and oilman's stores	2,60,32	[illegible],48,11	2,6[illegible],48	1·59
Drugs and medicines	2,36,17	2,20,53	2,61,21	1 58
Spices	1,82,83	2,6[illegible],43	2,54,50	1·54
Hardware	3,31,22	2,57,27	2,[illegible]6 86	1·37
Liquors	2,30,34	2,10 85	2,19 15	1 3[illegible]
Wool, raw and manufactured	4,11,87	2,81,90	2,1[illegible] 80	1 31
Silk, raw and manufactured	2,85,58	1 94 15	1,82 21	1 10
Rubber manufactures	1,88,99	1,40,56	1,48 42	0 90
Manures	79,67	1,05,17	1,2[illegible]	0 76
Fruits and vegetables	1,58,23	1,34,43	1,21 28	0·74
Tobacco	85,48	1,01,55	1,16,97	0·71
Paints and painters' materials	1,01,86	88,09	1,02,55	0 62
Glass and glassware	1,51,88	1,25 12	1,01,77	0·62
Precious stones and pearls, unset	1,24,47	1,15,93	87,80	0·53
Tea chests	71,70	90 30	8[illegible]30	0 50
Stationery	81,02	67,04	64,70	0 39
Toilet requisites	67,85	60,06	64 50	0 39
Salt	55,77	37,80	61 99	0·38
Building and engineering materials	69,53	62,18	56,68	0 34
Books, printed, etc.	61,78	58,92	58 69	0·32
Belting for machinery	60,17	49,11	52,88	0·32
Arms, ammunition and military stores	1,27,78	50,17	48,99	0·30
Haberdashery and millinery	63,51	46,52	43,46	0 26
Apparel	67,69	47,50	37,95	0·23
Bobbins	42 74	37,92	37 89	0·23
Clocks and watches and parts	52,41	42,63	35 93	0·22
Earthenware and porcelain	47,81	39,19	35,68	0·22
Toys and requisites for games	44,05	37,30	32,6[illegible]	0·20
Tallow and stearine	38,43	32,10	32,33	0 20
Gums and resins	27,42	30,13	27,21	0·16
Matches	20,44	23,52	24,67	0·15
Soap	21,46	22,44	23,67	0·14
Paper making materials	18,35	27,39	23,64	0·14
Cutlery	30,59	25,64	22,38	0·14
Umbrellas and fittings	28,06	14,87	17,20	0·10
Tea	18,49	15,73	15,96	0·10
Animals, living	35,33	36,72	15,68	0·09
Flax, raw and manufactured	22,47	17,96	14,14	0·09
Furniture and cabinetware	21,35	15,97	12,71	0·08
Boots and shoes	22,40	15,15	10,35	0·06
Jewellery, also plate of gold and silver	5,99	8,25	8 82	0·05
Fish (*excluding* canned fish)	6,70	6,89	7,30	0·04
Jute and jute goods	6,41	5,93	6,78	0·04
Coal and coke	16,65	8,05	2,64	0·02
All other articles	9,28,43	7,03,53	8,52,71	5·16
TOTAL VALUE OF IMPORTS	173,78,57	152,32,75	165,27,49	100

Cotton Manufactures.

Cotton manufactures (₹14,05 lakhs).—Imports of cotton manufactures into British India were valued at ₹14,05 lakhs during 1939-40 as compared with ₹14,15 lakhs in the preceding year and showed a decline of ₹10 lakhs. Particulars of the values of the different classes of cotton manufactures imported during the past three years are shown below :—

	1937-38	1938-39	1939-40
	₹ (lakhs)	₹ (lakhs)	₹ (lakhs)
Twist and yarn	2,51	2,93	3,52
Piecegoods—			
Grey (unbleached)	1,90	3,07	2,83
White (bleached)	4,18	3,30	2,84
Coloured, printed or dyed	5,61	3,90	3,98
TOTAL PIECEGOODS	11,69	10,27	9,65
Hosiery	23	18	12
Handkerchiefs and shawls	10	4	5
Thread	52	43	43
Other sorts	14	27	28
GRAND TOTAL	14,55	14,15	14,05

Imports of twist and yarn advanced in quantity from 36 million lbs. in 1938-39 to 41 million lbs. in 1939-40, or by 14 per cent, the corresponding increase in value being from ₹2.93 lakhs to ₹3.52 lakhs, or 20 per cent. The average declared value per lb. of imported twist and yarn rose from 12 as. 10 p. in 1938-39 to 13 as. 8 p. in the year under review. The following table shows the imports of twist and yarn and the production thereof in Indian mills, classified according to counts, in the past three years :—

—	1937-38		1938-39		1939-40	
	Imports	Production	Imports	Production	Imports	Production
	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs (000)
Cotton twist and yarn—						
Nos. 1 to 20	268	609,083	618	688,030	844	668,537
,, 21 to 25	41	160,350	58	190,900	86	173,096
,, 26 to 30	425	142,520	230	150,349	123	137,711
,, 31 to 40	2,582	152,455	5,948	167,747	3,199	157,130
Above No. 40	4,327	85,113	5,548	91,613	7,318	81,755
Two-folds (doubles)	14,337	—	24,039	—	29,547	—
Unspecified descriptions	18	11,195	18	14,547	15	15,158
TOTAL	21,998	1,160,716	36,459	1,303,246	41,132	1,233,687

Imports.

It will be observed that imports consisted largely of two-folds (doubles), arrivals of which totalled 29·5 million lbs. and represented 72 per cent of the total quantity of twist and yarn imported during the year under review as against 24·0 million lbs. or 66 per cent in 1938-39. Imports of counts above No. 40 were also on a larger scale, while those of counts No. 31-40 were very much reduced. Imports of other descriptions of twist and yarn are comparatively small. The increase in Indian production, noticed in the preceding year's Review, received a slight set-back in 1939-40, the total output being 1,234 million lbs. as compared with 1,303 million lbs. in 1938-39. With the exception of unspecified descriptions of yarn, all other classes shared in this decline.

Of the total imports, Japan supplied 66 per cent as against 58 per cent in the preceding year, while the shares of China and the United Kingdom dropped from 29 and 13 per cent to 26 and 7 per cent, respectively. The following table shows the details : —

Imports of cotton twist and yarn and percentage shares of the principal countries in the total imports.

—	Quantity			Value		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	lbs.	lbs.	lbs.	R	R	R
From—	(000)	(000)	(000)	(lakhs)	(lakhs)	(lakhs)
United Kingdom . .	6,632	4,681	2,829	78	49	32
	(30%)	(13%)	(7%)	(31%)	(17%)	(9%)
Japan . . .	14,644	21,169	27,164	1,68	1,77	2,42
	(67%)	(58%)	(66%)	(7%)	(60%)	(69%)
China (*including* Hongkong) .	623	10,579	10,841	4	66	75
	.%)	(29%)	(26%)	(2%)	(23%)	(21%)
Other countries . .	99	30	298	1	1	3
	..	..	(1%)	.	..	(1%)
Total .	21,998	36,459	41,132	2,51	2,93	3,52
Declared value per lb. . .	—	—	—	R.a.p. 1-2-3	R.a.p. 0-12-10	R.a.p. 0-13-8

Cotton piecegoods.

Imports of cotton piecegoods into British India totalled 579 million yards in 1939-40 and showed a decrease of 68 million yards or 11 per cent as compared with the preceding year. The value of these imports declined by 6 per cent from R10,27 lakhs to R9,65 lakhs. The decrease was distributed over all the three main descriptions of piecegoods, the fall in white and grey goods being comparatively greater than in coloured goods. Imports of the three descriptions of piecegoods during the last three years, distinguishing the shares of the United Kingdom and Japan, together with the percentage variations of the imports in 1939-40 as compared with 1938-39 and 1937-38 are set forth in the following table :—

Imports of cotton piecegoods	Quantity			Percentage increase (+) or decrease (—) in 1939-40 as compared with 1938-39	Percentage increase (+) or decrease (—) in 1939-40 as compared with 1937-38	Value			Percentage increase (+) or decrease (—) in 1939-40 as compared with 1938-39	Percentage increase (+) or decrease (—) in 1939-40 as compared with 1937-38
	1937-38	1938-39	1939-40			1937-38	1938-39	1939-40		
	Yds. (Millions)	Yds. (Millions)	Yds. (Millions)			R (lakhs)	R (lakhs)	R (lakhs)		
Grey.										
From—										
United Kingdom	24	30	9	—70	—62	44	55	19	—65	—57
Japan	109	227	223	—2	105	1,45	2,51	2,57	+2	+77
Total	133	258	236	8	+77	1,90	3,07	2,83	—8	49
White										
From—										
United Kingdom	129	102	82	—20	—36	2,82	2,12	1,81	—11	—33
Japan	65	70	43	—39	—34	98	91	65	—29	—54
Total	202	179	134	—25	—34	4,18	3,30	2,84	—14	—32
Coloured.										
From—										
United Kingdom	114	73	54	—26	—53	3,16	1,96	1,54	—21	—51
Japan	142	128	127	—1	—4	2,15	1,71	1,91	12	—11
Total	256	210	209		—18	5,61	3,90	3,98	2	—29
Total Cotton piecegoods.										
Share of—										
Bengal	157	249	240	—4	+53	3,03	3,56	3,54	—1	+17
Bombay	205	195	178	—9	—13	4,07	3,22	3,10	—4	—24
Sind	194	171	132	—23	—32	3,75	2,84	2,36	—17	—37
Madras	35	32	29	—9	—17	84	65	65	.	—23
Total	591	647	579	—11	—2	11,69	10,27	9,65	—6	—17

It will be observed that the United Kingdom sustained heavy losses in each of the main classes. The decrease in the case of imports from Japan was mostly confined to white goods. Expressed in percentages, imports of grey goods from the United Kingdom fell by 70 per cent over those in 1938-39, the corresponding decline in the case of Japan being only 2 per cent. In the case of white goods, which are largely imported from the United Kingdom, Japan reduced her supplies by 39 per cent and the United Kingdom by 20 per cent. Under coloured goods, imports from the United Kingdom fell by 26 per cent and those from Japan, by barely 1 per cent. The following table shows the declared values per yard, of grey, white and

coloured goods imported from the United Kingdom and Japan during the last three years :—

—	Grey		White		Coloured	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
1937-38 . . .	0 2 11	0 2 2	0 3 6	0 2 5	0 4 5	0 2 7
1938-39 . . .	0 2 11	0 1 9	0 3 4	0 2 1	0 4 4	0 2 2
1939-40 . . .	0 3 6	0 1 10	0 3 8	0 2 5	0 4 7	0 2 5

In each of the three main classes, the prices of the imports from Japan were relatively on a lower level than those from the United Kingdom.

Imports of the principal classes of grey, white and coloured goods are detailed below. The figures are in million yards :

—	1937-38	1938-39	1939-40
Grey (unbleached)—			
Dhuties, saris and scarves . . .	39·6	78·8	65·0
Jaconets, madapollams, mulls, etc. .	7·6	5·5	2·9
Longcloth and shirtings . . .	84·1	170·0	165·4
Sheetings	0·3	1·6	1·1
Drills and jeans	0·3	0·7	0·3
Other sorts	1·2	1·0	1·0
Total	133·1	257·6	235·7
White (bleached)—			
Dhuties, saris and scarves . . .	1·0	1·5	0·8
Jaconets, madapollams, mulls, etc. .	121·0	109·2	75·4
Longcloth and shirtings . . .	54·6	52·6	44·0
Nainsooks	4·6	1·5	1·0
Drills and jeans	3·2	1·7	2·4
Checks, spots and stripes . .	4·4	2·1	1·4
Twills	4·5	4·3	2·9
Other sorts	9·2	6·2	5·8
Total .	202·2	179·1	133·7

Cotton piecegoods.

—	1937-38	1938-39	1939-40
Coloured, printed or dyed—			
Dhuties, saris and scarves . . .	16·3	15·8	8·4
Cambrics, etc.	26·8	17·0	15·3
Shirtings	52·8	43·4	57·8
Prints and chintz	8·0	6·2	4·7
Drills and jeans	69·2	68·3	75·1
Checks, spots and stripes . . .	14·9	13·7	4·7
Twills	12·1	8·5	11·4
Other sorts . . .	55·4	37·6	32·2
TOTAL .	255·5	210·5	209·6

All the descriptions under grey and white goods, with the exception of a relatively unimportant item, drills and jeans under white, recorded decreases. In the coloured sections, however, there were appreciable increases under shirtings, drills and jeans and twills, while all other classes showed a decline. The following table gives the percentage shares of the United Kingdom and Japan in the imports of piecegoods during the last three years :—

—	GREY		WHITE		COLOURED, ETC.	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
1937-38 . . .	18·0	81·8	63·6	32·1	44·6	51·8
1938-39 . . .	11·6	88·0	57·0	39·1	34·8	61·0
1939-40 . . .	3·8	94·7	61·4	32·2	25·6	60·6

The United Kingdom retained the position as the leading supplier in bleached goods, but she lost considerable ground in grey and coloured goods, the two lines in which Japanese competition was more effective than in the other.

The quantities of cotton piecegoods, as well as the quantity *per capita* available for consumption in India in each year from 1937-38 are shown in the table below. In calculating *per capita* consumption, variations in population from year to year have been allowed for. It should be noted that in making these estimates, no account has been taken of the exports by land and stocks left over from year to year. It should also be remembered that the figures for handloom production are only estimates based on the quantity of yarn available for consumption each year.

Imports.

Consumption per capita *of cotton piecegoods and handloom products in India.*

Year	Net Imports		Net available mill production		Handloom production		Net available for consumption	
	Actual	*Per capita*	Actual	*Per capita*	Estimated	*Per capita*	Total	*Per capita*
	Yards crores	*Yards*	Yards crores	*Yards*	Yards crores	*Yards*	Yards crores	*Yards*
1937-38 . .	58	*1·61*	384	*10·67*	149	*1·14*	591	*16·42*
1938-39 . .	63	*1·70*	409	*11·07*	192	*5·19*	664	*17·94*
1939-40 . .	56	*1·52*	379	*10·24*	181	*4·89*	616	*16·65*

Fents (R31 lakhs).

Imports of fents declined from 4·9 million lbs. valued at R35 lakhs in 1938-39 to 4·1 million lbs. valued at R31 lakhs in the year under review. These consisted largely of cotton fents, imports of which totalled 4·0 million lbs. (20·2 million yards) as against 4·8 million lbs. (23·7 million yards) in 1938-39. Imports of fents of silk or artificial silk or mixture thereof were prohibited throughout the year 1939-40, while fents of other materials were imported to the extent of 74,000 lbs. as against 99,000 lbs. in 1938-39. Supplies of fents of all descriptions from Japan and the United States of America were on a reduced scale being valued at R14 lakhs and R6 lakhs as compared with R15 lakhs and R9 lakhs, respectively, in 1938-39. Imports from the United Kingdom, amounting to 1·2 million lbs., showed a small decline in quantity, the value remaining steady at R10 lakhs.

Sewing thread (R37 lakhs).

Imports of sewing thread declined in value from R40 lakhs in 1938-39 to R37 lakhs in 1939-40, of which the United Kingdom supplied to the value of R33 lakhs as against R32 lakhs in the preceding year. The remainder came chiefly from the Netherlands and Belgium.

Hosiery (R12 lakhs).

Imports of hosiery, including knitted fabrics, receded further in value from R18 lakhs to R12 lakhs. Supplies from Japan were valued at R9 lakhs as compared with R14 lakhs in 1938-39. Imports from the United Kingdom were comparatively small being valued at R1 lakh as in the preceding year.

Haberdashery and Millinery (R43 lakhs).

Imports of haberdashery and millinery, of which lace and embroidery and ribbons represented R11 lakhs and R2 lakhs, respectively, were valued at R43 lakhs in 1939-40 as compared with R47 lakhs in 1938-39. Imports from Japan advanced from R18 lakhs to R24 lakhs. Among other countries, the United Kingdom supplied to the value of R7 lakhs; Germany, R2 lakhs and Italy, R6 lakhs their respective contribution in the preceding year being R8 lakhs, R4 lakhs and R11 lakhs.

Artificial silk (R4,59 lakhs).- The total value of the imports of artificial silk and manufactures advanced sharply from R2,24 lakhs in 1938-39 to R4,59 lakhs in the year under review. Artificial silk yarn was imported to

the extent of 30·8 million lbs. valued at R2,12 lakhs as compared with 17·2 million lbs. valued at R96 lakhs in the preceding year, showing an improvement of 79 per cent in quantity and 121 per cent in value. Japan regained her leading position and supplied 21·9 million lbs. as against 6·5 million lbs. in 1938-39, while imports from Italy dropped from 10·5 million lbs. to 8·7 million lbs. The average declared value per lb. of imports from Japan and Italy during 1939-40 was 11 as. 5 p. and 9 as. 8 p., the respective figures for the preceding year being 10 as. 2 p. and 8 as. 1 p. Imports of piecegoods, made entirely of artificial silk, also rose from 28·6 million yards valued at R98 lakhs in 1938-39 to 54·3 million yards valued at R2,11 lakhs in the year under review. Of these, Japan supplied 51·6 million yards or 95 per cent (R1,95 lakhs) as against 26·3 million yards or 92 per cent (R87 lakhs) in the preceding year. The remainder came chiefly from the United Kingdom, imports from that country being valued at R7 lakhs as against R6 lakhs in 1938-39. The declared value, per yard, of imports from Japan was 6 as. 1 p. as compared with 5 as. 4 p. in 1938-39. Imports of goods of artificial silk mixed with other materials totalled 6·7 million yards valued at R28 lakhs as compared with 5·0 million yards valued at R22 lakhs a year ago. Japan increased her supplies to 5·9 million yards (R20 lakhs) from 4·3 million yards (R14 lakhs) in 1938-39. The remainder came mainly from the United Kingdom (R4 lakhs) and Germany and Italy (R1 lakh each). The average declared value per yard, of the imports from Japan was 5 as. 7 p. and of those from the United Kingdom, 12 as. 9 p., as compared with 5 as. 2 p. and 13 as. 2 p., respectively, in the preceding year.

Wool, raw and manufactured (R2,16 lakhs).—There was a decline of R66 lakhs in the imports of wool and woollens which were valued at R2,16 lakhs in 1939-40, as compared with R2,82 lakhs in the preceding year. Imports of raw wool, generally for consumption in Indian mills, totalled 7·7 million lbs. valued at R75 lakhs as compared with 7·3 million lbs. valued at R62 lakhs in 1938-39. Supplies from Australia advanced from 4·4 million lbs. (R36 lakhs) to 4·9 million lbs. (R49 lakhs), while those from the United Kingdom declined from 2·5 million lbs. (R25 lakhs) to 1·9 million lbs. (R23 lakhs). Yarn and knitting wool was, however, in less demand and imports fell from 3·4 million lbs. to 2·9 million lbs. Japan was the leading supplier in this line and sent 1·7 million lbs. of worsted yarn and 893,000 lbs. of knitting wool in 1939-40. Arrivals from the United Kingdom consisted mainly of 150,000 lbs. of knitting wool. Imports of woollen and worsted piecegoods declined to 2·3 million yards (1·1 million lbs.) valued at R35 lakhs from 2·5 million yards (1·4 million lbs.) valued at R45 lakhs in 1938-39. Receipts from Japan advanced from 1,254,000 yards to 1,535,000 yards, but the value of the consignment fell from R15 lakhs to R14 lakhs. There were reduced imports from the United Kingdom which amounted to 651,000 yards valued at R18 lakhs. Arrivals from other countries included R2 lakhs from Italy as against R4 lakhs in the preceding year, while German contribution fell from R2 lakhs to R½ lakh. Imports of woollen goods mixed with other materials also fell from 2·3 million yards valued at R32 lakhs to 1·2 million yards valued at R16 lakhs in the year under review, of which the United Kingdom supplied 698,000 yards valued at R9 lakhs as against 1·7 million yards valued at R22 lakhs in 1938-39.

Supplies from Japan and Italy were smaller than in the preceding year and were valued at R3 lakhs and R2½ lakhs, respectively, in the year under review. Imports from Germany were practically insignificant.

Imports of foreign carpets and floor rugs were valued at R2 lakhs in 1939-40 as in the preceding year. Of the total value of these imports in the year under review, the United Kingdom supplied to the extent of R1 lakh or 50 per cent. The remainder came mainly from Iran and France.

Imports of shawls and lohis numbered 148,000 valued at R4 lakhs as against 479,000 valued at R14 lakhs in the preceding year. Japan almost monopolised the trade in 1939-40 displacing Germany whose share fell from 28 per cent to 6 per cent in value.

Imports of blankets and rugs, other than floor rugs, declined sharply from 4·1 million lbs. valued at R32 lakhs to 1·7 million lbs. valued at R12 lakhs in 1939-40. Italy was, as usual, the largest supplier, consignments from that country being valued at R11 lakhs as against R30 lakhs in the preceding year.

Of the total imports of woollen hosiery valued at R10 lakhs in 1939-40 as against R13 lakhs in the preceding year, Japan supplied R5 lakhs and the United Kingdom, R4 lakhs.

Silk, raw and manufactured (R1,82 lakhs).—The total value of the imports of silk, raw and manufactured, receded further to R1,82 lakhs in the year under review. Imports of raw silk declined in quantity from 2·2 million lbs. in 1938-39 to 2·0 million lbs. in the year under review, but rose in value from R62 lakhs to R63 lakhs. China continued to be the principal source of supply and increased her contribution from 1·2 million lbs. (R32 lakhs) to 1·4 million lbs. (R42 lakhs). Japan was practically out of the market consignments from that country having been valued at R12 lakhs in 1938-39. As a result of the imposition of duty on the imports of raw silk from Burma referred to in the previous Review, arrivals from that country dropped from 418,000 lbs. to 3,000 lbs. Arrivals from other countries included 643,000 lbs. of raw silk valued at R21 lakhs from Hongkong as against 223,000 lbs. valued at R6 lakhs in the preceding year. There was a decrease in the imports of silk yarn which amounted to 910,000 lbs. (R24 lakhs) as compared with 1,120,000 lbs. (R32 lakhs) in 1938-39. Supplies from Japan fell from 588,000 lbs. valued at R22 lakhs to 257,000 lbs. valued at R11 lakhs. The remainder came chiefly from China (R9 lakhs) and Italy (R2 lakhs). Imports of silk piecegoods also declined from 16·9 million yards valued at R67 lakhs to 9·1 million yards valued at R51 lakhs in 1939-40 of which Japan supplied 4·9 million yards (R31 lakhs) as against 11·8 million yards (R45 lakhs). Imports from China were valued at R19 lakhs as compared with R17 lakhs in the preceding year. There were, however, increased imports of goods of silk mixed with other materials amounting to 8·1 million yards valued at R39 lakhs in 1939-40 as against 5·9 million yards valued at R31 lakhs in 1938-39. China increased her contribution from 1·6 million yards (R9 lakhs) to 5·0 million yards (R21 lakhs), while Japan reduced her supplies from 3·8 million yards (R18 lakhs) to 2·7 million yards (R14 lakhs) in 1939-40.

Iron and steel.

Iron and steel (R6,09 lakhs).—In the beginning of the year 1939 the conditions in the iron and steel industry remained somewhat quiet, but with the growth of armament requirements, production of both pig iron and steel in the United Kingdom, as far as could be judged from available information, reached very high levels. At the outbreak of the war, the industry was placed under State control and deliveries to exporters were licensed. Production in Belgium, Luxemburg and in the United States of America also showed marked increases during the year.

The output of pig iron in India advanced from 1,576,000 tons in 1938-39 to 1,838,000 tons in 1939-40 or by 17 per cent and that of steel ingots from 977,000 tons to 1,070,000 tons or by 10 per cent. The production of finished steel, which excludes the production of some re-rolling mills using either imported or Tata's *semis*, also showed an increase from 726,000 tons to 804,000 tons, the improvement being noticeable in almost all the descriptions under this class. The following table shows the details for the last two years :—

Production of pig iron and iron and steel manufactures in India during 1938-39 and 1939-40.

(In thousand tons)

Description	1938-39	1939-40	Increase (+) Decrease (—)
Pig iron	1,576	1,838	+262
Iron castings and manufactures	88	129	+41
Steel Ingots	977	1,070	+93
Semis	791	872	+81
Finished Steel—			
Angles	51	57	+6
Tees	5	8	+3
Sheets { Galvanised	95	103	+8
Sheets { Black	26	36	+10
Plates	65	76	+11
Rails	94	104	+10
Steel sleepers	17	19	+2
Fish Plates	4	4	..
Tin Plates	46	61	+15
Bars, Beams and Channels	287	305	+18
Others	36	31	—5
TOTAL FINISHED STEEL	726	804	+78

Imports of foreign pig iron into India, mostly from the United Kingdom, declined from 2,800 tons valued at R3 lakhs in 1938-39 to 1,600 tons valued at R2 lakhs in the year under review. The declared value, per ton, of imported pig iron was R110 as against R124 in 1938-39. Imports of ferro-alloys rose from 1,200 tons valued at R10 lakhs to 4,800 tons valued at R14 lakhs in 1939-40. Manufactured iron and steel (excluding pig iron and old iron and steel) recorded a further decrease from 264,000 tons to 255,000 tons

in quantity and from R6,62 lakhs to R6,05 lakhs in value. The declared value, per ton, was R237 during 1939-40 as compared with R251 in the preceding year. The following table shows the quantities and values of the principal descriptions of iron and steel imported into British India during the last three years :—

—	Quantity Ton (000)			Value R (lakhs)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Steel angle and tee	14·3	9·4	6·2	21·6	15·3	10 1
Steel bars (other than cast steel)	51·2	17·0	21·0	96·7	13·6	41·7
Beams, channels, pillars, girders and bridgework.	2[illegible] 1	[illegible] 7	10 0	40·7	[illegible]0·6	16·0
Bolts and nuts	10·5	[illegible]	5·7	35·1	31·7	22 0
Fencing materials (including fencing wire).	4·3	1·1	5·1	12·3	12·3	13·7
Hoops and strips	48·5	24·4	33·2	85·7	48·5	73·2
Nails, rivets and washers	15·3	11·2	8 9	45·6	31·4	37·8
Galvanised sheets and plates	12·8	[illegible]·7	15·6	97·1	[illegible]9·1	37·9
Tinned sheets and plates	7·4	11·0	6·5	2[illegible]	4[illegible]	24·7
Sheets and plates not galvanised or tinned.	23·8	[illegible]6·0	16·7	46·1	51·6	33 8
Rails, chairs and fishplates	7·5	11·5	10 0	11·1	14·	11·5
Tubes, pipes and fittings, wrought	41·4	[illegible]	52 5	1,07·0	1,0[illegible]	1,01·0
Wire nails	6 2	[illegible]·9	5·6	15·2	1[illegible]	14 4
Wire rope	4·3	[illegible]·2	3 3	23·7	2[illegible]·7	22 1
Cast pipes and fittings	1 4	2 5	2 5	7·0	[illegible]	8 5
Sleepers and keys of steel or iron for railways.	2·5	0[illegible]	1 1	4 1	[illegible] 0	[illegible]·0

As regards the classes of iron and steel goods imported into India, the largest decreases were in beams, channels, pillars, etc., sheets and plates, nails, rivets etc., and bolts and nuts, while there were increases under hoops and strips and fencing materials. Galvanised sheets and plates were imported to the extent of 15,600 tons valued at R38 lakhs as against 25,700 tons valued at R59 lakhs in 1938-39. There was also a decrease in the imports of tin plates which amounted to 6,500 tons valued at R25 lakhs in 1939-40 as compared with 14,000 tons valued at R49 lakhs in the preceding year. Imports of sheets and plates, not galvanised or tinned, declined from 26,000 tons to 16,700 tons, the corresponding decrease in value being from R52 lakhs to R34 lakhs. Construction materials—beams, channels, pillars, girders and bridgework—came in smaller quantities, imports having totalled 10,000 tons valued at R16 lakhs in 1939-40 as compared with 18,700 tons valued at R31 lakhs in 1938-39. There was also a decrease in the imports of steel angles and tees which amounted to 6,200 tons valued at R10 lakhs as against 9,400 tons valued at R15 lakhs in the preceding year. On the other hand, imports of steel bars, chiefly from the United Kingdom, advanced from 17,000 tons in 1938-39 to 21,000 tons in 1939-40, but with a decrease in value from R44 lakhs to R42 lakhs. Imports of hoops and strips improved from 24,400 tons to 33,200 tons, an increase of about 36 per cent in quantity, the corresponding rise in value being from R49 lakhs to R73 lakhs or 49 per cent. Among other items,

imports of bolts and nuts; nails, rivets and washers and rails, chairs and fishplates, showed decreases, while wire nails recorded an increase over the preceding year.

A feature of the year's trade is the very large importation of *semis*—ingots, blooms, billets and slabs—from Australia amounting to 37,000 tons as compared with 12,000 tons in 1938-39. As might be expected, there was a heavy reduction in the imports from the United Kingdom from 136,000 tons in 1938-39 to 96,000 tons in 1939-40 and concurrently her relative share in total imports dropped from 50·0 to 36·9 per cent. Imports from Germany and Belgium also fell from 30,000 tons (or 11 per cent) and 33,000 tons (or 12·1 per cent) to 17,000 tons (or 6·5 per cent) and 30,000 tons (or 11·5 per cent), respectively. France, on the other hand, increased her share from 10,000 tons (or 3·7 per cent) to 13,000 tons (or 5 per cent). Imports from the United States of America also rose from 9,000 tons in 1938-39 to 13,000 tons in 1939-40, her percentage share in the total trade having risen from 3·3 to 5·0. Among other countries, imports from Japan, consisting largely of galvanized sheets, rose from 17,000 tons to 24,000 tons. These imports represented 9·2 per cent of the total trade as against 6·2 per cent in 1938-39. The following table gives the particulars :—

—	United Kingdom		Germany		Belgium		France		United States		Other countries		TOTAL
	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)	Share per cent	Tons (thousand)
1937-38 .	168	45·5	50	13·5	54	14·6	14	3·8	27	7·3	56	15·3	369
1938-39 .	136	50·0	30	11·0	33	12·1	10	3·7	9	3·3	54	19·9	272
1939-40 .	96	36·9	17	6·5	30	11·5	13	5·0	13	5·0	92	35·1	261

Other Metals (R4,74 lakhs).- Imports of aluminium, consisting largely of circles, declined from 58,000 cwts. valued at R46 lakhs in 1938-39 to 32,000 cwts. valued at R26 lakhs in 1939-40, the decline being most noticeable in the second half of the year. Smaller supplies from the United Kingdom and Germany accounted for a decrease also in the imports of brass, chiefly in the form of mixed or yellow metal for sheathing which amounted to 195,000 cwts. valued at R73 lakhs as compared with 315,000 cwts. valued at R1,06 lakhs in the preceding year. On the other hand, imports of copper, chiefly wrought, advanced from 169,000 cwts. valued at R61 lakhs to 244,000 cwts. valued at R1,09 lakhs. All the principal sources of supply, with the exception of Germany, increased their contribution in the year under review. Lead was imported mainly in the form of pig lead from Burma, imports of which amounted to 229,000 cwts. valued at R35 lakhs as against 119,000 cwts. valued at R14 lakhs in 1938-39. Imports of lead, wrought (chiefly pipes and tubes), however, declined from 27,000 cwts. to 24,000 cwt., but the value remained fairly steady at R6 lakhs. The United Kingdom was the principal source of supply in this line. Imports of tin, consisting mainly of blocks, ingots, etc., improved from 56,000 cwts. valued at R71 lakhs to 76,000 cwts. valued at R1,21 lakhs in 1939-40. These imports were, as usual, consigned mostly from the Straits Settlements and, to a less extent, from Burma. Arrivals of unwrought zinc showed a

decrease in quantity from 505,000 cwts. to 427,000 cwts., the value remaining fairly stationary at R53 lakhs. There were increased supplies from the United Kingdom and, before the outbreak of war, also from Germany, while all other principal countries, *e.g.*, Australia, Belgium and the United States of America, reduced their contribution. Imports of wrought zinc amounted to 19,000 cwts. valued at R4 lakhs in 1939-40 as compared with 16,000 cwts. valued at R3 lakhs in 1938-39. Imports of German silver, including nickel silver, fell from 35,000 cwts. valued at R16 lakhs to 27,000 cwts. valued at R11 lakhs. Imports of quicksilver amounted to 198,000 lbs. valued at R9 lakhs as compared with 181,000 lbs. valued at R5 lakhs in the preceding year. A feature of the trade in 1939-40 was the importation of 43,000 lbs. of quicksilver from China and Hongkong, while the shares of Italy and Spain were further reduced.

Machinery and Millwork (**R15,37 lakhs**). There was a sharp decline in the imports of machinery and millwork including beltings and printing machinery in 1939-40 which were valued at R15,37 lakhs as compared with R19,72 lakhs in 1938-39. The following table shows the details for the last three years:

—	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Prime-movers	1,70	1,87	1,69
Electrical	2,69	3,72	2,36
Agricultural machinery	11	14	19
Boilers	1,17	1,40	85
Metal working (chiefly machine tools)	36	39	50
Mining	17	25	48
Oil crushing and refining	23	44	29
Paper mill	45	28	13
Refrigerating	28	14	21
Rice and flour mill	9	7	6
Saw mill	4	4	4
Sewing and knitting machines and parts	82	57	73
Sugar machinery	69	61	51
Tea machinery	21	23	17
Cotton machinery	2,92	2,67	1,96
Jute mill machinery	1,06	71	46
Wool machinery	3	2	3
Typewriters, including parts and accessories	22	15	21
Printing and lithographing presses	23	19	18
Belting for machinery	60	49	53

The value of electrical machinery imported declined from R3.72 lakhs to R2,36 lakhs of which the United Kingdom supplied R1.56 lakhs and Germany, R21 lakhs as against R2,34 lakhs and R62 lakhs, respectively, in 1938-39. Consignments from the United States of America also declined in value from R21 lakhs to R18 lakhs. Imports of textile machinery receded further from R3,79 lakhs to R2,79 lakhs of which cotton machinery accounted for R1,96 lakhs in 1939-40 as against R2,67 lakhs in the preceding year. Supplies from the United Kingdom were valued at R1,56 lakhs or 80 per cent as compared with R1,96 lakhs or 73 per cent in

1938-39, while German contribution fell from 12 per cent to 7 per cent. Imports of jute mill machinery also recorded a fall from R71 lakhs to R46 lakhs. There was also a decline in the imports of primemovers and boilers which were valued at R1,69 lakhs and R85 lakhs in 1939-40 as compared with R1,87 lakhs and R1,40 lakhs, respectively, in the preceding year. Increases were, however, noticeable in the imports of belting for machinery (valued at R53 lakhs); mining machinery (R48 lakhs); agricultural machinery (R19 lakhs); refrigerating machinery (R21 lakhs); sewing and knitting machines and parts (R73 lakhs); metal working machinery—chiefly machine tools (R50 lakhs); and typewriters and parts (R21 lakhs). On the other hand, imports of oil crushing and refining machinery (valued at R29 lakhs); sugar machinery (R51 lakhs); paper-mill machinery (R13 lakhs); tea machinery (R17 lakhs); rice and flour mill machinery (R6 lakhs) and printing and lithographic presses (R18 lakhs) showed decreases as compared with 1938-39. The following table shows the relative shares of the principal countries in the import trade in machinery and millwork:

Imports of machinery and millwork (including belting for machinery and printing machinery).

	1937-38		1938-39		1939-40	
	R (lakhs)	Per cent	R (lakhs)	Per cent	R (lakhs)	Per cent
United Kingdom . . .	11,38	61·3	11,60	58·8	9,37	60·9
United States	1,51	8·4	2,24	11·4	2,64	17·2
Germany . . .	2,66	14·8	3,13	16·1	1,41	9·2
Belgium	26	1·4	40	2·0	26	1·7
Other countries . . .	2,17	12·1	2,30	11·7	1,69	11·0
TOTAL .	17,98	100	19,72	100	15,37	100

With the exception of the United States of America, imports from all other principal countries were on a reduced scale. Imports from the United Kingdom were valued at R9,37 lakhs in 1939-40 as against R11,60 lakhs in the preceding year, but her percentage share in the total trade rose from 59 to 61. Smaller supplies from Germany and Belgium resulted in a decline in their percentage shares from 16 and 2·0 to 9 and 1·7, respectively; while the United States of America advanced her position and supplied 17 per cent of the total imports in 1939-40 as compared with 11 per cent in 1938-39.

Hardware (R2,27 lakhs).—Owing mainly to reduced imports during the latter half of the year under review, there was a decline of 12 per cent in the value of the imports of hardware which amounted to R2,27 lakhs as compared with R2,57 lakhs in 1938-39. The principal items included in this

group with figures for respective imports during the past three years are shown in the table below :—

—	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Agricultural implements	3	3	3
Other implements and tools (except machine tools)	59	50	50
Builders' hardware	32	30	22
Domestic hardware	9	10	5
Enamelled ironware	16	12	12
Metal lamps	56	31	25
Metal lamps, parts	5	3	3
Stoves	5	4	3
Gas mantles	3	1	2
Other sorts	1,48	1,13	1,02

Imports of agricultural implements, chiefly from the United Kingdom showed very little change and were valued at R3 lakhs. Imports of other implements and tools, except machine tools, also remained practically steady at R50 lakhs to which the United Kingdom contributed 46 per cent (50 per cent): United States of America, 31 per cent (21 per cent); and Germany, 10 per cent (16 per cent); the figures in brackets representing the percentage shares in the preceding year. The number of metal lamps imported fell from 2·7 million valued at R31 lakhs to 2·5 million valued at R25 lakhs. These were consigned mostly from Germany before the outbreak of war and amounted to 1·7 million lamps valued at R16 lakhs as compared with 2·3 million valued at R25 lakhs in 1938-39. Imports from the United States of America advanced from 246,000 to 355,000 in quantity, the rise in value being from R3 lakhs to R4 lakhs. Supplies from Japan were comparatively small and amounted to 47,000 as in the preceding year, while those from Hungary totalled 166,000 lamps as against 15,000 in 1938-39. The value of the parts of metal lamps imported in 1939-40 remained fairly steady at R3 lakhs; the German contribution, however, fell from R2 lakhs to R1 lakh. As in the preceding year, the imports of enamelled iron ware were valued at R12 lakhs in 1939-40 of which Japan supplied to the value of R7 lakhs as against R5 lakhs in the preceding year. The value of the imports of builders' hardware declined from R30 lakhs to R22 lakhs in 1939-40, to which the United Kingdom contributed R5 lakhs and Germany, R9 lakhs—their respective shares in the preceding year being R6 lakhs and R16 lakhs. Imports from Sweden and Japan remained fairly steady at R5 lakhs and R2 lakhs, respectively. Among other specified items, there were decreases under domestic hardware, stoves, safes and strong boxes of metal and glass lamps.

Motor vehicles.

Of the total imports of hardware, the United Kingdom supplied to the value of R86 lakhs as against R98 lakhs in 1938-39, but her percentage share remained steady at 38. Germany reduced her contribution from R75 lakhs or 29 per cent to R48 lakhs or 21 per cent. Supplies from Japan were valued at R25 lakhs or 11 per cent and those from the United States of America, at R32 lakhs or 14 per cent as compared with R21 lakhs (8 per cent) and R22 lakhs (9 per cent), respectively, in the preceding year. The following table compares these percentages with those for the preceding two years :—

Imports of hardware.

—	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom	34	38	38
Germany	34	29	21
United States of America	8	9	14
Japan	9	8	11
Other Countries	15	16	16
TOTAL	100	100	100

Cutlery (R22 lakhs).

The value of cutlery imported declined further from R26 lakhs in 1938-39 to R22 lakhs in 1939-40, of which razors represented R13 lakhs, pruning knives, R2 lakhs and other cutlery, R7 lakhs. Of the total imports, the United Kingdom supplied to the value of R12 lakhs as compared with R9½ lakhs in the preceding year. Japan also improved her share from R1 lakh to R2 lakhs while the share of Germany fell from R14 lakhs to R6 lakhs.

Electroplated ware (R2 lakhs).

Imports of electroplated ware in 1939-40 were valued at R2 lakhs as in the preceding year. These were, as usual, drawn chiefly from the United Kingdom.

Motor Vehicles (R5,18 lakhs).—In recent years the United Kingdom and the United States of America were the largest suppliers of motor vehicles to India, the former concentrating more on motor cars than on heavier motor vehicles. Despite expansion in military demand in the United Kingdom, imports of motor cars from that country into India showed no slackening during the year under review. The total number of motor cars imported into British India declined from 11,058 valued at R2,17 lakhs in 1938-39 to 9,972 valued at R2,07 lakhs in the year under review. The table below shows the

number of motor cars imported during the past three years indicating the principal sources of supply :—

Number of motor cars imported.

—	United Kingdom	United States of America	Canada	France	Italy	Other countries	TOTAL
1937-38 . .	6,419	4,876	1,612	98	281	2,411	15,697
1938-39 . .	5,117	3,170	972	66	232	1,501	11,058
1939-40 . .	5,344	2,969	963	64	232	400	9,972

Imports from all the principal countries, with the exception of the United Kingdom recorded decreases. Consignments from the United Kingdom, numbered 5,344 in 1939-40 as compared with 5,117 in the preceding year. Imports from the United States of America and Canada on the other hand, fell from 3,170 and 972 to 2,969 and 963, respectively, in 1939-40. Arrivals from Italy, however, remained unchanged at 232 but, as might be expected, German supplies declined from 1,253 to 255. Imports from other countries included 64 from France as compared with 66 in 1938-39

The number of motor omnibuses, vans and lorries imported during the year under review advanced from 7,808 in 1938-39 to 14,537 in 1939-40, the corresponding increase in value being from R1 18 lakhs to R2 05 lakhs. The growth in imports of these vehicles was stimulated to some extent by India's military requirements. These imports consisting largely of chassis, are mainly consigned from the United States of America and Canada. Imports from these two sources numbered 10 362 and 3 531 in 1939-40 as compared with 5,095 and 1,958, respectively, in 1938-39. There was however, a decrease in the imports from the United Kingdom which numbered 563 as against 607 in the preceding year The average declared value of chassis imported from the United Kingdom in 1939 40 was lower than in the preceding year and amounted to R2,018, the corresponding figures for the United States of America and Canada being R1,263 and R1,534, respectively. The following table shows the total number of motor omnibuses, vans, etc., imported during the past three years --

Imports of motor omnibuses, vans, etc.

—	United Kingdom	United States of America	Canada	Other countries	TOTAL
1937-38 . . .	2,337	10,035	2,197	508	15,077
1938-39 . . .	607	5,095	1,958	148	7,808
1939-40 . . .	563	10,362	3,531	81	14,537

Cycles.

Imports of motor cycles declined from 1,371 to 1,026 in number, the corresponding fall in value being from R1½ lakhs to R3½ lakhs. Germany sent—practically before the outbreak of war—602 cycles valued at R1½ lakhs as against 958 valued at R2⅓ lakhs in 1938-39. Imports from the United Kingdom fell slightly from 349 to 342 in number, the value, however, remaining fairly steady at R1¾ lakhs. The following table shows the number of all classes of motor vehicles running in the different provinces of British India at the end of March, 1940 :—

Provinces	Motor cars including taxi cabs	Motor cycles, including scooters and auto-wheels	Heavy motor vehicles (lorries, buses, etc.)	TOTAL
	No.	No.	No.	No
Bengal (excluding Calcutta and Howrah Town).	4,391	402	2,481	7,274
Calcutta including Howrah Town* .	18,030	737	3,700	22,467
Bombay	18,359	1,638	7,969	27,957
Madras City	5,126	468	846	6,440
Madras Province (excluding Madras City).	9,208	935	4,695	14,838
United Provinces*	13,570	978	3,564	18,112
Punjab	6,246	831	6,295	13,372
Bihar	5,549	619	1,409	7,577
Orissa	767	126	373	1,266
Central Provinces and Berar . .	3,918	746	1,874	6,538
Sind	3,450	462	914	4,826
Delhi Province	(a)	(a)	(a)	(a)
North-West Frontier Province .	1,523	150	1,352	3,025
Ajmer-Merwara	730	86	162	978
Assam . . .	3,427	209	2,155	5,791

* As at 31st December, 1939.

(a) Figures not yet available.

Cycles (R74 lakhs).

Imports of cycles and parts thereof in 1939-40 were valued at R74 lakhs as compared with R96 lakhs in the preceding year. Of these, cycles imported entire or in sections numbered 92,249 valued at R33 lakhs as against 138,036 valued at R48 lakhs in 1938-39. The United Kingdom was, as usual, the largest

supplier and sent 90,555 complete machines in 1939-40 or 46,278 less than in the preceding year. Imports from Japan numbered 1,333 in 1939-40 as against 830 in 1938-39, while the consignments from Germany fell to 69 from 196 a year ago. Imports of parts and accessories were valued at R41 lakhs as compared with R48 lakhs in 1938-39. Of the total value of all these imports in 1939-40, the United Kingdom supplied 77 per cent as compared with 80 per cent in the preceding year. The share of Germany also fell from 8 per cent to 7 per cent, while the contribution of Japan advanced from 9 per cent to 13 per cent.

Rubber manufactures (R1,48 lakhs).

Imports of rubber manufactures were valued at R1,48 lakhs in 1939-40 as compared with R1,41 lakhs in the preceding year. The table below summarises the trade under principal classifications :—

Imports of Rubber manufactures.

—	1937-38		1938-39		1939-40	
	Number (000)	R (000)	Number (000)	R (000)	Number (000)	R (000)
Pneumatic motor covers . . .	256·9	1,22,91	218·3	91,89	214·0	1,06,59
Pneumatic motor cycle covers . .	1·9	22	1·4	14	1·6	12
Pneumatic cycle covers . .	980·2	11,65	671·3	7,13	457·0	4,99
Pneumatic motor tubes . . .	206·2	11,51	161·7	8,03	144·2	8,50
Pneumatic motor cycle tubes . .	3·0	7	1·6	3	6·1	8
Pneumatic cycle tubes . . .	1,702·4	6,87	1,128·3	4,94	824·3	3,72
Solid rubber tyres for motor vehicles	2·1	2,31	1·1	91	0·6	34

Imports of pneumatic motor covers which represented 72 per cent of the total value of rubber manufactures imported during 1939-40, numbered 214,000 valued at R1,06 lakhs and showed a decline of 2 per cent in quantity, but, due to higher prices, advanced in value by 15 per cent as compared with the preceding year. The United Kingdom supplied 76,100 valued at R34 lakhs as against 159,500 valued at R70 lakhs in 1938-39. Imports from Germany also fell from 27,800 valued at R11 lakhs to 7,300 valued at R3 lakhs in the year under review. The share of the United States of America in these imports, however, advanced sharply from 9,900 valued at R4 lakhs to 87,700 valued at R52 lakhs. Imports of pneumatic cycle covers declined further from 671,300 valued at R7 lakhs to 457,000 valued at R5 lakhs, there being smaller supplies from Germany which totalled 169,900 valued at R2 lakhs as against 416,900 valued at R5 lakhs in 1938-39. The number of pneumatic motor tubes imported also fell from 161,700 to 144,200, but the value of the consignment showed an increase from R8 lakhs to R8½ lakhs. Imports of pneumatic cycle tubes and solid rubber tyres for motor vehicles also showed decreases as compared with 1938-39.

Mineral Oils (R17,13 lakhs).—No reliable statistics relating to production or consumption of mineral oils are available from any country, but it may be safely assumed that, despite higher prices, there was a

moderate increase during the year under review in consumption of petroleum products which are so important in modern mechanised warfare. In Burma, which supplies the bulk of India's requirements, the production of kerosene and motor spirit (including aviation petrol), as far as could be judged from the figures up to February, 1940, was higher by 8 per cent and 5 per cent, respectively, than in 1938-39.

The total imports of mineral oils of all kinds into British India advanced from 439 million gallons to 463 million gallons in the year under review. The following table shows the details :—

Imports of mineral oils into India by sea from foreign countries.

—	1937-38	1938-39	1939 40
	Gals. (000)	Gals. (000)	Gals. (000)
Fuel oil	128,048	136,788	146,448
Kerosene—			
In bulk	201,433	181,896	193,330
In tins	1,213	158	136
TOTAL KEROSENE	202,646	182,054	193,466
Lubricating oils	39,970	32,761	35,191
Benzine, benzol, petrol, etc.	102,056	85,821	86,244
Paints, solutions and compositions	164	156	195
Other kinds	2,062	1,131	1,406
TOTAL MINERAL OILS	474,946	438,711	462,950

Kerosene.

Imports of kerosene rose from 182 million gallons to 193 million gallons of which Burma supplied 112 million gallons or 58 per cent as compared with 114 million gallons or 63 per cent in 1938-39. Receipts from Borneo, Sumatra and Celebes, including consignments from the Straits Settlements, declined from 23½ million gallons to 18 million gallons and those from Iran, from 30 million gallons to 25 million gallons. Imports from the Bahrein Islands a comparatively new source of supply, advanced from 11 million gallons to 34 million gallons. Arrivals from other countries in 1939-40 included 4 million gallons from the United States of America or 3 million gallons more than in 1938-39. The detailed figures are given in the marginal table. The average declared value per gallon of the imports from Burma in 1939-40 was 6 as. 3 p., which compares with 6 as. 0 p. for the Bahrein Islands and 6 as. 3 p. for Iran. These prices were higher than the corresponding prices in 1938-39. The price of "Elephant" brand kerosene oil at Calcutta was R6-0-6 per 2 tins

Imports of Kerosene oil	1937-38	1938-39	1939-40
	Gals. (000)	Gals. (000)	Gals. (000)
United States of America	3,190	1,305	3,916
Union of Socialist Soviet Republics	20,903	..	
Iran	11,461	30,27[illegible]	25,2[illegible]5
Borneo, Sumatra and Celebes	30,890	17,968	10,865
Burma	132,880	114,07[illegible]	11[illegible],11[illegible]
Other Countries	3,322	18,133	41,335
TOTAL	202,646	1[illegible]2,0[illegible]4	103,166

in the first quarter of the year under review. By successive reductions effected in the second quarter, the rate touched R5-6-6 in September. From October the quotation began to rise. In October, the rate was increased by 8 annas to R5-14-6; and in November again by 4 as. to R6-2-6. In the last week of January, the price rose further to R6-10-6 and in March, to R6-13-6 at which rate it remained till the end of the year.

Fuel oil.

Imports of Diesel oils advanced from 43 million gallons in 1938-39 to 47 million gallons in 1939-40, and those of other fuel oils, from 94 million gallons to 99 million gallons. Iran was, as usual the chief source of supply of fuel oils and sent 106 million gallons out of a total of 146 million gallons as compared with 101 million gallons out of a total of 137 million gallons in the preceding year. The remainder came chiefly from Borneo (21 million gallons), the Bahrein Islands (7 million gallons), the Straits Settlements (4 million gallons) and Burma and Iraq (3 million gallons each).

Lubricating oils.

Imports of lubricating oils amounted to 35 million gallons as compared with 33 million gallons in 1938-39. Of the imports in 1939-40, batching oils represented 15 million gallons and other lubricating oils, 20 million gallons as against 16½ million gallons, each, in the preceding year. Batching oils were obtained in larger quantities from Burma and Borneo which supplied 8·8 million gallons and 4·1 million gallons as against 9·5 million gallons and 3·9 million gallons, respectively, in 1938-39. Imports from the United States of America totalled 2·2 million gallons or 0·2 million gallons more than in the preceding year. Imports of other lubricating oils were drawn from the United States of America (12 million gallons), Burma (7 million gallons) and the United Kingdom (1 million gallons).

Motor spirit.

The imports under the head "Petroleum, dangerous, flashing below 76° F. including petrol, benzine and benzol" amounted to 86 million gallons or almost the same as in 1938-39. Motor spirit, which forms the bulk of these imports, accounted for 84 million gallons in 1939-40 as compared with 71 million gallons in the preceding year. About 50 million gallons or 58 per cent of the total imports of petroleum came from Burma as against 51 million gallons or 59 per cent in 1938-39. Iran curtailed her supplies from 26 million gallons to 11 million gallons, while Sumatra and Roumania, which were practically out of the market in 1938-39, contributed 3·8 million gallons and 2·5 million gallons, respectively, in the year under review. Imports from the Bahrein Islands showed a steady advance and amounted to 12·4 million gallons as compared with 7·5 million gallons in 1938-39. Arrivals in 1939-40 from other countries included about 4 million gallons from British Borneo.

In Calcutta, petrol was sold at R1-2-0 per gallon, *ex*-pump, up to the 3rd week of June, when the rate was raised to R1-3-0. The selling rate was further raised to R1-4-6 in October and to R1-5-0 in January. The increase in the excise duty by 2 annas per gallon raised the selling price to R1-7-0 in March. In Bombay the trend of prices was similar to that in Calcutta, except that from October the selling price in Bombay was higher than in Calcutta by 1 anna per gallon.

Chemicals.

Chemicals (R4,52 lakhs).—Prices of chemicals in 1939-40, specially after the outbreak of war, were generally higher than in the preceding year. The total imports of chemicals into British India advanced in value from R3,05 lakhs in 1938-39 to R4,52 lakhs in 1939-40. Sodium compounds represented 46 per cent of this total, imports of which were valued at R2,09 lakhs as compared with R1 31 lakhs in the preceding year. Imports of sodium carbonate and caustic soda, chiefly from the United Kingdom, rose from R61 lakhs and R45 lakhs to R78 lakhs and R72 lakhs, respectively. All other descriptions of sodium compounds also showed increases. Acids, as a class, of which acetic, citric, oxalic and tartaric are the most important, were imported to the value of R19 lakhs as compared with R11 lakhs in the preceding year. Imports of potassium compounds also improved from R11 lakhs to R23 lakhs; of bleaching powder, from R12 lakhs to R18 lakhs and of magnesium compounds from R3 lakhs to R5 lakhs. Calcium compounds, valued at R11 lakhs, showed an increase of R4 lakhs, while zinc compounds, at R7 lakhs, recorded a decrease of R5 lakhs as compared with 1938 39. Of the total imports of sulphur valued at R15 lakhs in 1939-40 as compared with R22 lakhs in the preceding year, the United States of America supplied 58 per cent and Japan 20 per cent as against 18 per cent each in 1938-39, while the contribution of Italy dropped from 55 per cent to 20 per cent. Among other chemicals muriate of ammonia and copper sulphate showed increases, while copperas glycerine and liquid chlorine recorded decreases. The following table gives the percentage shares of the principal supplying countries in the total imports of chemicals during the past three years.

—	1937-38	1938 39	1939 40
	Per cent	Per cent	Per cent
United Kingdom	53·7	56·5	51·6
Germany	14 7	13·1	4 9
United States of America	5·1	6 5	18 6
Italy	6 0	5·2	3·2
Kenya Colony	1·5	1·6	1·5
Norway	0 3	0·3	0·4
Japan	6·9	5 2	8·2
Other countries	11·8	11 6	11·6
TOTAL	100	100	100

It will be observed that the share of the United Kingdom in the total imports receded from 56·5 per cent in 1938-39 to 51·6 per cent in the year under review. The participation of Germany and Italy also fell from 13 and 5 per cent to 5 and 3 per cent, respectively. On the other hand, the United

States of America and Japan considerably improved their position and supplied 18·6 per cent and 8·2 per cent as against 6·5 and 5·2 per cent, respectively, in 1938-39. The shares of other countries remained practically unchanged during the year.

Drugs and medicines (R2,61 lakhs).—The total value of imported drugs and medicines advanced from R2,21 lakhs to R2,61 lakhs in 1939-40. Imports of proprietory and patent medicines were valued at R89 lakhs as compared with R61 lakhs in the preceding year. The United Kingdom accounted for R49 lakhs; Germany, for R9 lakhs and the United States of America, for R18 lakhs, their respective contribution in 1938-39 being R27 lakhs, R12 lakhs and R13 lakhs. Camphor came, as usual, in large quantities from Japan, which supplied 1,147,000 lbs. valued at R21 lakhs out of a total of 1,737,000 lbs. valued at R29 lakhs. Imports of quinine salts were valued at about R25 lakhs, almost the same as in the preceding year. The United Kingdom increased her share from R7 lakhs to R8 lakhs and Java, from R1 lakh to R5 lakhs; while the contribution of Germany fell from R14 lakhs to R5 lakhs.

Paper and pasteboard (R3 46 lakhs).- Imports of paper and pasteboard declined in quantity from 3·1 million cwts in 1938-39 to 2·7 million cwts. in 1939-40, but higher prices accounted for a rise in value from R3 23 lakhs to R3,46 lakhs. The total quantity of paper of all kinds imported fell by 12 per cent from 2·5 million cwts. to 2·2 million cwts., the value showing an increase from R2,78 lakhs to R2,89 lakhs, or by 4 per cent. Printing paper is always the chief item and recorded an increase from 922,000 cwts. valued at R93 lakhs to 934,000 cwts. valued at R1,06 lakhs. Sweden and Norway together supplied 409,000 cwts. or 83,000 cwts more than in 1938 39, while the supplies from Germany declined from 305,000 cwts. to 206,000 cwts. Consignments from Finland also fell from 109,000 cwts. to 85,000 cwts. There were, however, increased supplies from Canada and Japan which amounted to 61,000 cwts. and 23,000 cwts. as against 5,000 cwts. and 1,000 cwts., respectively, in 1938 39. Arrivals from the United Kingdom also rose from 18,000 cwts. to 21,000 cwts. Imports of writing paper and envelopes declined from 181,000 cwts. (valued at R45 lakhs) in 1938-39 to 135 000 cwts. (valued at R34 lakhs) in the year under review, to which Norway and Sweden together contributed 66,000 cwts., the United Kingdom, 25,000 cwts.; and Germany, 14,000 cwts. as against 60,000 cwts., 28,000 cwts. and 22,000 cwts. respectively, in 1938-39. Packing and wrapping paper was imported to the extent of 378,000 cwts. valued at R82 lakhs in 1939 40 as compared with 387,000 cwts. valued at R67 lakhs in the preceding year. Supplies from the United Kingdom, Sweden and Norway advanced from 39,000 cwts., 177,000 cwts., and 15,000 cwts. to 42,000 cwts., 214,000 cwts., and 20,000 cwts., respectively, while those from Germany fell from 64,000 cwts. to 55,000 cwts. Imports of old newspapers in bales and bags, chiefly from the United Kingdom, fell from 948,000 cwts. to 667,000 cwts., but the value remained almost steady at about R38½ lakhs. The value of paper manufactures, imported mainly from the United Kingdom, showed a decrease from R16 lakhs to R13 lakhs. Imports of pasteboard, millboard and cardboard including manufactures thereof, declined in quantity from 541,000 cwts. in 1938-39 to 512,000

cwts. in 1939-40, but advanced in value from R45 lakhs to R56 lakhs. Of these, strawboards accounted for 307,000 cwts. valued at R26 lakhs as compared with 338,000 cwts. valued at R17 lakhs in the preceding year. The following table shows the percentage shares of the principal countries in the total value of paper and pasteboard imported into British India during the past three years : -

Percentage shares of the principal countries in the imports of paper and pasteboard.

	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom	25·0	27·6	22·3
Norway	9·2	11·6	16·2
United States of America	2·9	1·6	6·9
Sweden	13·6	12·0	18·2
Netherlands	4·3	4·7	4·6
Japan	4·7	4·1	6·9
Germany	20·7	19·7	11·6
Austria	8·8	7·3	1·4
Other countries	10·8	11·4	11·9
TOTAL	100	100	100

It will be noticed that while the shares of Norway and Sweden recorded increases, those of Germany and Austria declined sharply. The United Kingdom also reduced her participation, but the United States of America and Japan considerably improved their position in 1939-40.

In 1939-40 there were altogether 13 paper mills at work in India. The aggregate production of all the reporting mills in India amounted to 1,416,000 cwts. in 1939-40 as compared with 1,184,000 cwts. in 1938-39. Imports of woodpulp, mostly for the use of the Indian paper mills, amounted to 234,000 cwts. valued at R22 lakhs as compared with 277,000 cwts. valued at R26 lakhs in the preceding year. Norway and Sweden together supplied 152,000 cwts. in 1939-40 and the United States of America, 71,000 cwts. as compared with 140,000 cwts. and 121,000 cwts. respectively, in 1938-39. The remainder came chiefly from Finland.

Provisions (R2,63 lakhs).—The total value of imported provisions advanced from R2,48 lakhs in 1938-39 to R2,63 lakhs in the year under review. Imports of farinaceous and patent foods, by far the largest item under this group, rose in value from R77 lakhs to R85 lakhs. The figure for 1939-40 includes R24 lakhs being the value of farinaceous foods in bulk derived chiefly from the Straits Settlements and R23 lakhs and R38 lakhs the values of milk foods for infants and invalids and other patent foods, respectively, which are chiefly imported from the United Kingdom. Condensed milk was imported, chiefly from the Netherlands, to the extent of 76,000 cwts. in 1939-40 as compared with 62,000 cwts. in 1938-39, the increase in value being from R20 lakhs to R26 lakhs. Imports of biscuits and cakes, mainly from the United Kingdom, showed slight variations

and amounted to 28,000 cwts. valued at R25 lakhs. There were, however, smaller imports in the year under review of confectionery, mostly from the United Kingdom and of bacon and hams from the United Kingdom, Australia, Denmark and the Netherlands; while the imports of jams and jellies and butter showed increases. Among other commodities, imports of cheese remained almost steady, but those of tinned or canned fish declined as compared with the preceding year. The variations in the trade in some of the more important articles under provisions are shown in the table below :—

Imports of provisions.

Articles	1937-38		1938-39		1939-40	
	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)
Bacon and hams	17	12	17	13	13	12
Biscuits and cakes	30	27	29	25	28	25
Canned or bottled fruits	47	12	44	10	40	10
Tinned or canned fish	13	6	13	6	11	6
Cheese	10	7	10	7	10	8
Confectionery	28	19	24	17	22	14
Butter	8	7	8	9	9	9
Milk foods for infants and invalids.	9	17	10	18	11	23
Farinaceous foods in bulk.	320	25	371	27	306	24
Jams and jellies	19	7	18	7	22	8
Milk, condensed and preserved (including milk cream).	59	19	62	20	76	26
Other sorts	—	1,02	—	89	—	98

The total imports of provisions from the United Kingdom fell slightly from R1,37 lakhs to R1,36 lakhs, her relative share in the trade being 52 per cent in 1939-40 as compared with 55 per cent in 1938-39. Imports from the Straits Settlements, consisting largely of farinaceous foods in bulk, also fell from R26½ lakhs to R23⅔ lakhs, and relatively her share in the trade dropped from 10 per cent to 9 per cent. The share of the Netherlands, however, remained practically steady at 8 per cent, while the participation of the United States of America advanced from 6 per cent to 8 per cent. Australian supplies consisting largely of butter, jams and jellies were valued at R25 lakhs and represented 10 per cent of the total trade in 1939-40 as compared with R13 lakhs or 5 per cent in 1938-39.

Sugar (R3,32 lakhs).—The area under sugarcane in India in 1939-40 was 3,618,000 acres as compared with 3,130,000 acres in the preceding year. The production in terms of *gur* in 1939-40 is estimated at 4,547,000 tons or 1,159,000 tons more than in 1938-39. The total number of sugar factories manufacturing direct from cane during the cane crushing season 1939-40 was 145 as against 139 factories, actually in operation, in the preceding year.

Sugar.

The following table gives the production of sugar in Indian factories during the last ten years as published by the Director, Imperial Institute of Sugar Technology :—

Crop year*	Direct from Cane	Refined from *Gur*
	Tons	Tons
1930-31	119,900	29,700
1931-32	158,600	62,000
1932-33	290,200	78,000
1933-34	454,000	64,900
1934-35	578,100	43,500
1935-36	932,100	47,900
1936-37	1,111,400	25,600
1937-38	930,700	17,200
1938-39	650,800	15,800
1939-40	1,241,700	(*a*)31,700†

NOTE.—Figures from 1936-37 exclude production in Burma.

* From November to October. The principal crushing period is from November to May.

† Estimated.

(*a*) Production during the calendar year 1940.

The increase in the imports of sugar, 16 D. S. and above, mentioned in the preceding year's Review, continued almost throughout the year under review and arrivals into India including the Kathiawar States totalled 332,000 tons valued at R4,26 lakhs as compared with 55,000 tons valued at R63½ lakhs in 1938-39, Java contributing 318,000 tons or 96 per cent as against 50,000 tons or 91 per cent in the preceding year. A feature of the trade in 1939-40 was that, world prices being above parity, a part of these imports was re-exported from India to the neighbouring territories in Africa and Asia, such as Egypt, Iran, Palestine, Arabia, Ceylon and the Straits Settlements. These shipments, which were mainly effected in the last quarter of 1939, amounted to 24,000 tons.

There was also an increase in the imports of beet sugar which amounted to 5,500 tons valued at about R7½ lakhs as compared with 4,400 tons valued at R5½ lakhs in 1938-39. The consignments in 1939-40 came almost entirely from the United Kingdom. According to the Director, Imperial Institute of Sugar Technology, the quantity of sugar available for consumption in India during the period 1st November 1938 to 31st October 1939 is estimated at 1,083,000 tons approximately, as against 1,159,000 tons in the preceding crop year.

Imports.

The *ex*-factory quotation of a typical Indian sugar, crystal No. 1, at Cawnpore, was R10-14-0 per maund in the beginning of April, 1939. The price steadily increased to R12-6-0 on May 5. Thereafter a declining tendency set in, carrying the quotation down to R10-2-0 on July 28, and further to R9-13-0 on August 18. After the declaration of war in September, there was a sudden jump to R11-8-0 on September 8. The market, however, settled down to R10-14-0 at the end of September. During the following three months, the usual quotation was not available. In the last week of December, the price was again quoted at R12-9-0. On January 5, the price declined to R12-8-0, and in the next week, to R12-7-0. After a slight decline in February, the rate remained steady at R12-6-0 till the end of the year.

Liquors (R2,19 lakhs).—The total imports of liquors declined in quantity from 4·7 million gallons in 1938-39 to 4·3 million gallons in 1939-40, but the value rose by R8 lakhs to R2,19 lakhs. Bengal took the largest quantity—1·6 million gallons (R79 lakhs) as against 1·5 million gallons (R68 lakhs) and was followed by Bombay with 1·4 million gallons (R71 lakhs) against 1·7 million gallons (R75 lakhs). The requirements of Sind and Madras were comparatively small amounting to 732,000 gallons (R46 lakhs) and 596,000 gallons (R24 lakhs) as compared with 863,000 gallons (R43 lakhs) and 682,000 gallons (R25 lakhs) respectively, in the preceding year. Nearly 72 per cent of the total quantity of imported liquors consisted of ale, beer, and porter, which showed a decline from 3·6 million gallons valued at R74 lakhs in 1938-39 to 3·1 million gallons valued at R67 lakhs in 1939-40. Imports from the United Kingdom totalled 1·9 million gallons or 100,000 gallons less than in 1938-39 but her percentage share rose from 56 to 61. Imports from Germany and the Netherlands were considerably reduced and amounted to 189,000 gallons and 319,000 gallons, respectively. Supplies from Japan also fell from 549,000 gallons to 514,000 gallons. Spirits accounted for 26 per cent of the total quantity of liquors imported and wines 2 per cent. There was an increase in the imports of spirits which amounted to 1·1 million gallons valued at R1,38 lakhs from 1·0 million gallons valued at R1,23 lakhs. The imports by classes are shown below :—

—	1937-38		1938-39		1939-40	
	Gallons	R (lakhs)	Gallons	R (lakhs)	Gallons	R (lakhs)
Brandy . . .	108,800	17	86,500	13	90,800	16
Gin . . .	88,400	8	78,000	7	87,700	8
Rum . . .	2,100	..	1,700	..	1,900	..
Liqueurs . . .	12,900	3	9,800	2	5,400	1
Whisky . . .	309,600	53	283,800	49	347,000	61
Spirit, present in drugs.	133,200	37	135,100	36	128,100	37
„ perfumed . .	6,700	7	5,800	5	4,300	4
„ denatured . .	379,000	3	344,600	3	388,800	3
„ other sorts .	24,000	8	19,500	7	24,400	7

Salt.

Imports of whisky, practically all from the United Kingdom, increased to 347,000 gallons in 1939-40 from 284,000 gallons in 1938-39. Imports of brandy—77 per cent French—also rose from 87,000 gallons to 91,000 gallons. Wines were imported to the extent of 106,000 gallons valued at R13 lakhs as compared with 118,000 gallons valued at R14 lakhs in 1938-39. Of the total imports of wines in 1939-40, France supplied 24,000 gallons or 23 per cent; Spain, 5,000 gallons or 5 per cent; Italy, 13,000 gallons or 12 per cent and Portugal, 6,000 gallons or 6 per cent. The contribution of the United Kingdom, including the re-exports of the products of these manufacturing countries, was 48,000 gallons or 45 per cent.

Salt (R62 lakhs).—Imports of foreign salt, chiefly for consumption in Bengal, advanced from 312,000 tons valued at R38 lakhs in 1938-39 to 314,000 tons valued at R62 lakhs in 1939-40. Aden continued to be the chief source of supply and her contribution rose from 157,000 tons to 225,000 tons. Imports from Egypt, however, declined from 78,000 tons to 30,000 tons and those from Germany, from 32,000 tons to 10,000 tons. Arrivals from other countries included 41,000 tons from Italian East Africa as compared with 17,000 tons in the preceding year. The production of Indian salt in 1939 amounted to 1,498,000 tons as against 1,538,000 tons in 1938. The coastwise imports of Indian salt into Bengal in 1939-40 totalled 306,000 tons, such imports in the preceding year being 194,000 tons. The following table shows the prices per 100 maunds at Calcutta at about the end of each month of Aden, German and Indian Salt: –

—	Imported		Indian
	Aden Fine (*ex*-ship)	Hamburg Vaca (*ex*-golab)	Bombay (*ex*-golab)
1939—	R a	R a.	R a.
April	..	52 0	50 0
May	42 8	..	55 0
June	37 0	..	58 0
July	36 0	54 0	58 0
August	35 0	..	60 0
September	70 0	..	..
October	98 0	..	..
November	98 0	..	..
December	98 0	..	..
1940—			
January	96 12	..	..
February	95 0	..	.
March	76 0	..	..

The above figures are exclusive of duty. The quotation for salt in May 1939 was R42-8 per 100 maunds *ex*-ship which declined by successive stages to R35-0 in August After the declaration of war in September, the control rate for salt was first fixed at R70-0 and subsequently raised to R107-0, but by the middle of October it was lowered to R98-0. The market rate however declined to R96-12 in January 1940 and touching R95-0 in February, fell to R76-0 by the end of the year.

Other articles.—The following table shows the course of trade in some of the other articles of importance in imports :—

—	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Instruments, apparatus, etc.	6,13	5,85	5,58
Dyeing and tanning substances	3,94	3,11	3,61
Spices	1,83	2,63	2,55
Tobacco	85	1,05	1,17
Glass and glassware	1,52	1,25	1,02
Precious stones and pearls, unset	1,24	1,15	88
Cement	13	10	7
Coal and coke	17	8	3

Instruments and apparatus (R5,58 lakhs).

There was a setback in the imports of instruments and apparatus, which were valued at R5,58 lakhs in 1939-40 as compared with R5,85 lakhs in the preceding year. The value of electrical instruments and apparatus, the principal item under this group, declined from R3,31 lakhs to R2,87 lakhs, consignments from the United Kingdom and Germany in 1939-40 being valued at R1,64 lakhs and R23 lakhs as against R1,94 lakhs and R55 lakhs, respectively, in the preceding year. Expressed in percentages, the share of the United Kingdom dropped from 59 per cent to 57 per cent and that of Germany, from 17 per cent to 8 per cent. The United States of America and Japan, however, improved their position and imports from these sources were valued at R37 lakhs and R20 lakhs as against R29 lakhs and R10 lakhs, respectively. The shares of other important participating countries recorded decreases as compared with the preceding year. Details of imports under the various classes of electrical instruments during the past three years are given in the table below :—

—	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Electric fans and parts thereof	31	25	19
,, wires and cables	1,22	1,32	1,14
Telegraph and telephone instruments	22	23	13
Electric lamps and parts thereof	58	42	35
Batteries	25	22	23
Carbons, electric	3	3	4
Accumulators	7	6	8
Electric lighting accessories and fittings, including switches.	8	7	7
Meters	12	13	14
Electro-medical apparatus, including X-ray apparatus.	7	5	5
Switch boards (other than telegraph and telephone)	5	5	3
Unenumerated	47	48	42
TOTAL	3,47	3,31	2,87

Under photographic instruments, imports of raw films advanced from 4 million feet valued at R25 lakhs in 1938-39 to 83 million feet valued at

Other articles.

R31 lakhs in 1939-40. Receipts of exposed films declined from 26 million feet to 24 million feet, but the value recorded a rise from R38 lakhs to R54 lakhs. Smaller imports from Germany were mainly responsible for the decline in the imports of cinema talkie apparatus which were valued at R8 lakhs in 1939-40 as against R14 lakhs in the preceding year. Imports of wireless apparatus recorded an advance in value from R41 lakhs to R50 lakhs which in 1939-40 were distributed among the United Kingdom (34 per cent), the United States of America (32 per cent) and the Netherlands (24 per cent). Imports of other classes of instruments generally showed a contraction in 1939-40 as compared with the preceding year.

Dyeing and tanning substances (R3,61 lakhs).

There was an improvement in the imports of dyeing and tanning substances which were valued at R3,61 lakhs as compared with R3,11 lakhs in the preceding year. Imports of coal tar dyes, representing 80 per cent of the total value in 1939-40, advanced by R27 lakhs to R2,87 lakhs, the quantity imported being 13 million lbs. as against 12 million lbs. in 1938-39. The United States of America, Japan and Switzerland considerably improved their position at the cost of Germany, whose share in the quantity dropped from 66 per cent to 45 per cent. Imports from the United Kingdom also advanced. The following table shows the details of the imports of these dyes during the past three years :—

Imports of coal tar dyes.

	Quantity.			Value		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	lbs. (000)	lbs. (000)	lbs. (000)	R (lakhs)	R (lakhs)	R (lakhs)
Alizarine	2,260	874	805	14	6	6
Congo red	2,107	474	563	11	3	6
Coupling dyes of the napthol group	3,398	2,573	2,172	71	60	56
Vats	2,012	1,733	1,560	1,45	1,27	1,20
Sulphur black	4,759	2,638	3,799	10	6	18
Others	6,352	3,731	3,934	92	58	81
Total	20,888	12,023	12,833	3,43	2,60	2 87
From United Kingdom	2,193	1,471	1,799	37	32	47
„ Germany	14,941	7,918	5,731	2,51	1,70	1,14
„ France	433	348	305	8	8	10
„ Switzerland	654	659	1,024	20	29	50
„ Japan	990	294	1,568	10	5	28
„ United States of America	762	746	1,642	8	8	23
„ Other countries	915	587	764	9	8	15

There was a noticeable increase in the imports of barks for tanning (mostly from South Africa) which amounted to 698,000 cwts. (R44 lakhs) as against 342,000 cwts. (R23 lakhs) in 1938-39, while cutch and gambier (from Burma and the Straits Settlements) and saffron (from Spain) showed decreases.

Imports.

Spices (R2,55 lakhs).

Lower receipts of betelnuts in the year under review were mainly responsible for a decline in the imports of spices which fell from 2,069,000 cwts. valued at R2,63 lakhs in 1938-39 to 1,940,000 cwts. valued at R2,55 lakhs. Imports of betelnuts totalled 1,588,000 cwts. valued at R1.60 lakhs as against 1,840,000 cwts. valued at R1,96 lakhs in the preceding year. The bulk of these imports were, as usual, drawn from the Straits Settlements. Imports of cloves, on the other hand, advanced further to 92,000 cwts. valued at R47 lakhs from 70,000 cwts. valued at R37 lakhs in 1938-39. Kenya Colony, Zanzibar and Pemba and Madagascar are the three principal supplying countries. There was also a sharp advance in the imports of pepper from 24,000 cwts. (R5 lakhs) to 142,000 cwts. (R19 lakhs) Imports of nutmegs and ginger were small, amounting to 15,000 cwts and 5 00 cwts., respectively, in 1939-40.

Tobacco (R1,17 lakhs).

The total imports of tobacco amounted to 7·5 million lbs. valued at R1,17 lakhs in 1939-40 as compared with 7·9 million lbs. valued at R1,05 lakhs in the preceding year. Receipts of unmanufactured tobacco fell from 6 4 million lbs. to 5·8 million lbs., the value, however, showed an increase from R58 lakhs to R64 lakhs in the year under review Imports from the United States of America totalled 3·7 million lbs or 64 per cent as against 3 3 million lbs. or 51 per cent in 1938-39, while those from the United Kingdom, representing mainly the re-exports of American leaf tobacco, fell from 1 million lbs to about ½ million lbs. Arrivals from Burma, consisting of cheaper varieties, also fell from 2 1 million lbs. to 1·5 million lbs Imports of cigarettes recorded an advance from 1,218,000 lbs valued at R40 lakhs to 1,371,000 lbs. valued at R46 lakhs As usual the United Kingdom was the largest source of supply and contributed 1 317,000 lbs or 96 per cent in 1939-40. Of other descriptions of manufactured tobacco in the year under review, cigars accounted for 231 000 lbs--Burma supplying 221,000 lbs., and tobacco for pipes and cigarettes, 56,000 lbs. of which the United Kingdom supplied 46,000 lbs.

Glass and glassware (R1,02 lakhs).

The value of the imports of glass and glassware receded further to R1,02 lakhs from R1,25 lakhs in 1938-39. All the descriptions comprised within this group shared in the decline. Imports of glass bangles fell in value from R24 lakhs to R18 lakhs of which Japan and Czechoslovakia supplied to the value of R10 lakhs, and R4 lakhs as against R13 lakhs and R9 lakhs, respectively, in the preceding year. Receipts from Germany were valued at R3 lakhs. Imports of beads and false pearls also declined from 19,000 cwts. (R13 lakhs) to 12,000 cwts. (R8½ lakhs) Imports of bottles and phials, mostly from Japan, numbered 639,000 gross valued at R21 lakhs in 1939-40, as compared with 982,000 gross valued at R28 lakhs in 1938-39. Glass sheet and plate came to the extent of 22 million square feet or 5 million square feet less than in the preceding year the decline in value being from R24 lakhs to R20 lakhs. Belgium and Japan were, as usual, the chief source of supply. The values of the imports of tableware, funnels, globes, etc., and scientific glassware are comparatively small. Japan continued to occupy the leading position in the total trade and sent R54 lakhs worth of glass and glassware

in 1939-40 as against R60 lakhs in 1938-39. Imports from Germany, Belgium and Czechoslovakia declined by R4 lakhs, R2 lakhs and R12 lakhs to R13 lakhs. R8 lakhs and R6 lakhs, respectively. The value of the imports from the United Kingdom, on the other hand, remained practically unchanged at R10 lakhs. Expressed in percentages, the trade in 1939-40 was distributed as follows :--Japan, 53 per cent ; Germany, 13 per cent ; the United Kingdom, 10 per cent ; Belgium, 8 per cent ; and Czechoslovakia 6 per cent.

Precious stones (R88 lakhs).

The total value of the imports of precious stones and pearls, unset, fell further to R88 lakhs in the year under review from R1,15 lakhs in the preceding year. The value of diamonds imported declined from R1,02 lakhs to R64 lakhs, and that of other precious stones from R6 lakhs to R5 lakhs. Imports of pearls, real and culture, however, showed an improvement and were valued at R19 lakhs as against R7 lakhs in 1938-39. The shares of Belgium and the Netherlands in the total trade declined from 79 per cent and 6 per cent to 65 per cent and 3 per cent, respectively; while that of the United Kingdom advanced from 4 per cent to 7 per cent. Consignments from Arabia and the Bahrein Islands, consisting of pearls only, were valued at R5 lakhs and R3 lakhs, respectively, in 1939-40.

Cement (R7 lakhs).

Indian demand for cement is now generally met from local production and the imports, consisting mostly of specialised quality, further shrank from 21,000 tons valued at R1[illegible] lakhs in 1938-39 to 11,000 tons valued at R7 lakhs in the year under review. The bulk of these shipments came from the United Kingdom which accounted for 10,000 tons or 91 per cent.

Coal (R2 lakhs)

Arrivals of foreign coal in 1939-40 shrank to 16,000 tons valued at R2 lakhs from 42,000 tons valued at R7 lakhs in the preceding year. There were practically no imports from the Portuguese East Africa in the year under review, and those from the Union of South Africa were also considerably reduced. The United Kingdom however, increased her consignments from 3,000 tons to 6,000 tons The following table gives the principal sources of supply during the last three years :—

—	1937-38	1938-39	1939-40
	Tons	Tons	Tons
United Kingdom	32,000	3,000	6,000
Union of South Africa (mainly Natal)	29,000	37,000	7,000
Portuguese East Africa	15,000	..	..
Japan	1,000	..	.
Australia	2,000	..	

Of the total imports in 1939-40, Bombay took 2,000 tons (26,000 tons), Sind, 8,000 tons (15,000 tons) and Bengal, 6,000 tons (1,000 tons)—the figures in brackets representing those for the preceding year.

Imports.

Dutiable Baggage.

The imports of dutiable baggage, which are not otherwise specified, were valued at R14 lakhs in 1939-40 as compared with R15 lakhs in the preceding year. The following classes of articles imported as baggages are, however, recorded under their respective heads and are necessarily excluded from this :—(i) fire arms, cartridges and other arms and ammunition, (ii) wireless sets and instruments, apparatus and appliances, (iii) liquors and spirits, (iv) furniture and carpets, (v) jewellery, silverware and plated ware, including silver and plated cutlery, and (vi) vehicles, including motor cars.

CHAPTER III.

Exports of Merchandise.

The following table shows the comparative importance of the principal articles exported from British India :—

Exports.

(In thousands of Rupees)

—	1937-38	1938-39	1939-40	Percentage on total exports of merchandise in 1939-40
Jute, raw	14,71,90	13,39,67	19,73,18	9·70
Jute manufactures	29,07,76	26,26,11	48,68,78	23·93
Cotton, raw and waste	29,77,26	24,66,65	31,04,15	15·26
Cotton manufactures	9,29,30	7,11,79	8,57,58	4·22
Tea	24,38,69	23,29,05	26,07,78	12·82
Seeds	14,18,65	15,09,22	11,89,53	5·85
Leather	7,25,42	5,27,58	7,69,13	3·78
Metals and ores	6,12,60	4,91,04	6,45,25	3·17
Grain, pulse and flour	9,48,89	7,74,12	5,07,37	2·49
Hides and skins, raw	5,04,10	3,84,67	4,08,85	2·01
Wool, raw and manufactured	3,72,37	3,84,95	4,04,34	1·99
Tobacco	1,99,61	2,75,63	2,52,81	1·24
Fruits and vegetables	2,08,19	2,26,86	2,36,94	1·16
Oilcakes	2,42,58	3,01,20	2,02,92	1·00
Coal and coke	98,07	1,36,25	1,93,35	0·95
Lac	1,62,18	1,26,65	1,88,57	0·93
Mica	1,48,40	1,14,12	1,72,57	0·85
Oils	1,01,03	1,03,37	1,37,47	0·68
Coir	1,04,44	96,01	1,28,21	0·63
Spices	93,48	78,66	1,07,93	0·53
Rubber, raw	83,83	71,58	93,76	0·46
Hemp, raw	74,50	71,98	85,90	0·42
Coffee	54,59	75,11	73,15	0·36
Dyeing and tanning substances	66,87	59,11	70,76	0·35
Provisions and oilman's stores	63,27	59,32	70,74	0·35
Fish (excluding canned fish)	69,08	69,29	69,71	0·34
Manures	68,96	37,22	47,91	0·24
Bristles	31,81	26,32	39,15	0·19
Drugs and medicines	27,51	27,83	33,19	0·16
Paraffin wax	51,34	36,25	32,98	0·16
Building and Engineering materials other than of iron, steel or wood.	18,02	14,75	30,72	0·15
Bones for manufacturing purposes	43,83	23,71	22,50	0·11
Wood and timber	29,50	26,06	21,06	0·10
Saltpetre	10,84	10,89	17,13	0·08
Apparel	16,12	12,62	14,59	0·07
Fibre for brushes and brooms	20,19	15,71	13,63	0·07
Cordage and rope	9,16	8,12	10,61	0·05
Sugar	39,73	24,18	7,96	0·04
Animals, living	8,79	8,23	7,83	0·04
Silk, raw and manufactured	6,74	4,26	7,73	0·04
Fodder, bran and pollards	9,46	8,96	4,80	0·02
Tallow, stearine and wax	3,61	3,27	3,22	0·02
Horns, tips, etc.	4,09	2,36	1,48	0·01
Candles	3	2	2	..
Opium	1	1	2	..
All other articles	6,14,72	5,77,80	6,06,55	2·98
TOTAL VALUE OF EXPORTS	180,92,42	162,79,16	203,43,54	100

Exports.

The conditions arising from the war exercised a profound influence on India's export trade. For a large number of her principal articles of export the war created a new and unparalleled demand, and shipments of such articles during the year attained very high levels; but behind these favourable developments was a sombre background, with deepening shadows, such factors as lack of adequate shipping facilities, loss of valuable Continental markets owing to enemy aggression, and the uncertainties attaching to trading with neutral countries adjacent to enemy territories, contributing to make the general trading position one of increasing difficulty. A brief survey of these special war-time factors and the disturbance caused by them to trade generally and in the more important commodities of special interest to India has been made in Chapter I, and the following paragraphs should be read in the light of that general analysis.

Jute and Jute Manufactures (R68,42 lakhs).—The total exports of raw and manufactured jute during the year under review amounted to 1,651,000 tons as compared with 1,647,000 tons in 1938-39, showing an increase of 4,000 tons or 0·2 per cent. There was, however, a greater increase in the value of these shipments which advanced from R39,66 lakhs to R68,42 lakhs or by 73 per cent. It may be noted that the prices of jute and jute manufactures during 1939-40, particularly in the latter half of the year, were much higher than in the preceding year. The following table shows the exports of raw jute and manufactured goods during the past five years :- -

—	Exports of raw jute	Percentage variation as compared with 1935-36	Exports of sacking bags and cloth	Percentage variation as compared with 1935-36	Exports of hessian bags and cloth	Percentage variation as compared with 1935-36
	Tons (000)		Tons (000)		Tons (000)	
1935-36	771	100	438	100	354	100
1936-37	821	106	519	118	488	138
1937-38 . .	747	97	523	119	478	135
1938-39 . .	690	89	488	111	[illegible]	12[illegible]
1939-40	568	74	510	116	546	154

Exports of raw jute declined in quantity from 690,000 tons in 1938-39 to 568,000 tons in 1939-40, or a decrease of 18 per cent, while the value advanced from R13,40 lakhs to R19,73 lakhs, showing a rise of 47 per cent. The United Kingdom and France increased their purchases from 181,000 tons and 76,000 tons to 194,000 tons and 85,000 tons, respectively. Most of the other principal European countries reduced their takings in 1939-40. Exports to Germany, Belgium, the Netherlands and Italy fell from 132,000 tons, 51,000 tons, 13,000 tons and 46,000 tons to 35,000 tons, 33,000 tons, 7,000 tons and 28,000 tons, respectively; while the U. S. S. R. and Czechoslovakia were practically out of the market in 1939-40, their respective purchases in the preceding year being 19,000 tons and 21,000 tons. Shipments to Spain and Sweden, however, rose from 11,000 tons and 7,000 tons to 16,000 tons and 8,000 tons, respectively. There were also increased shipments to the American countries. The United States of America took 51,000 tons as against 31,000 tons; the Argentine Republic, 16,000 tons as against 10,000 tons and Brazil, 34,000 tons as against 25,000 tons in 1938-39.

Exports to Japan declined from 15,000 tons to 14,000 tons, while those to China and Australia rose by 2,000 tons and 1,000 tons to 8,000 tons and 3,000 tons, respectively. Manchuria, which was responsible for 13,000 tons in 1938-39, took only 1.000 tons in the year under review.

As might be expected from the withdrawal of restrictions on mill production coupled with war demand for sand bags, the consumption of raw jute in Indian mills recorded an improvement in 1939-40 as compared with the preceding season. The following table shows the exports and Indian consumption of raw jute during the last five seasons. July to June :—

Season	Exports of raw jute	Consumption in India*	Excess of consumption over exports (%)
	Tons (000)	Tons (000)	
1935-36	740	895	+21
1936-37	872	1,082	+24
1937-38	666	1.194	+79
1938-39	693	1,112	+60
1939-40	528	1,274	+141

* Figures refer to mills in the membership of the Indian Jute Mills Association

It will be observed that during all these years consumption was higher than exports. In 1939-40, it was 141 per cent more than the exports, the corresponding increase in the preceding year being 60 per cent. The monthly production of jute manufactures is shown in the following table :—

(*In millions*)

	Hessian				Sacking			
	Cloth		Bags		Cloth		Bags	
	1938-39	1939 40	1938 39	1939 40	1938-39	1939 40	1938-39	1939 40
	Yds.	Yds.	No.	No.	Yds.	Yds.	No.	No.
April	159	92	15	48	7	6	56	49
May	157	108	12	53	8	9	52	51
June	159	103	12	46	7	7	51	49
July	159	110	12	30	6	4	55	49
August	183	115	10	12	7	7	61	49
September	172	110	9	24	8	7	55	47
October	110	123	6	67	4	9	39	48
November	126	121	7	104	5	10	42	47
December	129	129	8	116	4	12	45	52
January	139	134	9	115	6	12	54	56
February	107	136	20	74	5	9	46	56
March	102	146	45	70	5	9	52	62
TOTAL	1,702	1,427	165	759	72	101	608	615

Under hessians, there was a striking increase in the number of bags manufactured in 1939-40, due mainly to defence orders for sand bags, though a part of this increase is attributable to the reduction in the average size of the bags in relation to that in the preceding year, while the output of cloth recorded a decrease. The production of both sacking bags and cloth showed

a moderate rise. The following table illustrates the prices of a typical grade of bags and two of the more important grades of hessians during 1939-40 :—

Date	B. Twills		Hessians, 40" × 8 oz.		Hessians, 40" × 10½ oz.	
	Ready	Near Forward	Ready	Near Forward	Ready	Near Forward
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
1939—						
April 4 . .	27 7 0	27 8 0	9 4 6	9 5 6	11 7 6	11 8 6
„ 25 . .	27 15 0	28 2 0	9 10 6	9 11 6	11 14 0	11 15 6
May 30 . .	26 12 0	26 14 0	8 13 6	8 14 0	11 4 0	11 5 0
June 27 . . .	27 9 0	27 12 0	9 4 0	9 5 6	11 9 6	11 11 6
July 25 . .	27 1 0	27 3 0	8 13 6	8 14 6	11 4 0	11 4 6
August 29 . .	26 14 0	27 0 0	9 3 0	9 4 0	11 7 6	11 8 6
September 26 .	35 12 0	36 0 0	13 15 0	14 1 0	17 8 0	17 10 0
October 31 . .	45 12 0	46 0 0	17 2 0	17 4 0	22 12 0	22 8 0
November 28 .	54 8 0	54 8 0	19 7 0	19 11 0	27 0 0	26 4 0
December 19 . .	58 10 0	58 6 0	20 6 0	20 10 0	24 12 0	24 10 0
1940—						
January 30 . .	49 0 0	48 12 0	15 4 0	15 6 0	18 12 0	18 13 0
February 27 . .	48 4 0	48 4 0	14 3 0	14 5 0	17 7 0	17 8 0
March 19 . .	41 12 0	38 12 0	12 14 0	13 0 0	15 14 0	15 15 0

Exports of jute bags and cloth in the past three years are shown in the marginal table. The number of gunny bags shipped more than doubled in 1939-40 and totalled 1,210 million as compared with 598 million in the preceding year. The value also showed a similar rise and amounted to R25,44 lakhs as against R12,46 lakhs in 1938-39. Of the exports in 1939-40, sacking bags accounted for 465 million

—	1937-38	1938-39	1939-40
Bags (in millions) .	612	598	1.210
Cloth (in million yards)	1,643	1,550	1,560

valued at R16,77 lakhs and hessian gunny bags, 746 million valued at R8,66 lakhs. The United Kingdom, always the principal purchaser of gunny bags, multiplied its takings nearly tenfold to the colossal figure of 685 million (more than the usual total of exports to all countries combined) owing to the war demand for sand bags. Exports to other European countries taken together totalled 21 million in number as compared with 36 million in 1938-39. Next to the United Kingdom, the largest single purchaser of Indian gunny bags was Australia which took 71 million bags in 1939-40 as against 66 million in the preceding year. Burma came next with 52 million as compared with 62 million in 1938-39. Java, Thailand and Indo-China increased their takings from 23 million bags each to 30 million, 25 million and 26 million, respectively. The Straits Settlements required 11 million bags in 1939-40, or 5 million bags more than in the preceding year. Exports to the African territories were also higher than in 1938-39. The Union of South Africa took 38 million bags as against 28 million in 1938-39; Egypt 29 million bags as against 22 million; the Portuguese East Africa 20 million as against 16 million, and the West African territories, *e.g.*, Nigeria, Gold Coast, etc., taken together, required 21 million bags as against 13 million in the preceding year. Exports to the United States of America rose from 11 million bags to 12 million bags. There were also increased shipments to the West Indies, including Cuba, Peru, New Zealand and Hawaii, while those to Chile recorded a decline. Exports to the Argentine Republic remained fairly steady at 2 million bags.

The total exports of gunny cloth rose from 1,550 million yards valued at R13,34 lakhs in 1938-39 to 1,560 million yards valued at R22,40 lakhs, of which hessian gunny cloth represented 1,515 million yards valued at R21,53 lakhs as compared with 1,507 million yards valued at R12,83 lakhs in the preceding year. As usual, the United States of America was the best customer of gunny cloth but, owing to higher prices, she had to curtail her purchases from 841 million yards in 1938-39 to 764 million yards in 1939-40. Exports to the Argentine Republic also declined from 291 million yards to 217 million yards. There were, however, increased shipments to the United Kingdom and Canada which amounted to 260 million yards and 134 million yards as against 171 million yards and 89 million yards, respectively, in 1938-39. Australia took 41 million yards against 31 million yards; the Union of South Africa, 19 million yards against 10 million yards; Egypt, 16 million yards against 9 million yards and Uruguay, 14 million yards against 6 million yards in the preceding year. Exports to Eire, the Straits Settlements and New Zealand also recorded increases, while those to Norway and Turkey showed decreases. Table No. 32, appended to this Review, shows the details of exports of jute bags and cloths to which a reference may be made.

Cotton (R30,11 lakhs).—Shipments of raw cotton from British India advanced from 2,703,000 bales in 1938-39 to 2,948,000 bales in 1939-40, or an increase of 9 per cent. The value of the exports rose by 26 per cent from R23,86 lakhs to R30,11 lakhs. Japan, the best customer of Indian raw cotton, reduced her takings from 1,211,000 bales to 1,056,000 bales in 1939-40. The total imports of raw cotton into Japan from all sources, as

recorded in the Japanese trade returns, showed an increase from 553,000 tons in 1938 to 596,000 tons in 1939, of which India accounted for about 34 per cent as in the preceding year. There were, however, increased shipments of Indian cotton to China which totalled 681,000 bales in 1939-40 as against 193,000 bales in the preceding year. Exports to the United Kingdom also recorded an improvement and amounted to 472,000 bales as compared with 411,000 bales in 1938-39. France and the United States of America also increased their purchases from 169,000 bales and 58,000 bales to 229,000 bales and 122,000 bales, respectively. Shipments to Belgium, on the other hand, declined from 142.000 bales to 68.000 bales and those to Germany and Italy, from 192,000 bales and 92,000 bales to 52,000 bales each. Exports to other countries in 1939-40 included 41,000 bales to Korea, 38,000 bales to the French Indo-China and 25,000 bales to the Netherlands. The following statement gives the monthly exports of cotton from British India during the last three years :—

[In bales of 400 lbs. each]

—	1937-38	1938-39	1939-40
April	458,000	249,900	339,700
May	415,400	201,600	404,100
June	377,700	194,800	279,600
July	277,300	207,400	336,500
August	161,500	157,300	222,000
September	93,500	176,400	143,500
October	59 500	171,700	135,700
November	49,200	203,000	127,300
December	112,000	264,200	200,800
January	198,400	275,100	245,100
February	264,900	279,200	277,700
March	264,100	322,300	226,900
TOTAL	2,731,500	2 702,900	2,947,900

Cotton.

The increase in exports of Indian cotton was, however, accompanied by a decrease in consumption by the mills in India. It is estimated that the Indian mills absorbed 3,040,000 bales during 1939-40 or 81,000 bales less than the high record of the preceding year. The table below shows the details :—

Consumption of Indian raw cotton in Indian mills.

(In thousand bales of 400 lbs. each.)

—	1937-38	1938-39	1939-40
Bombay Island	739	799	641
Ahmedabad	334	349	323
Bombay Province	1,281	1,369	1,198
Madras	412	464	487
United Provinces	297	321	343
Central Provinces and Berar	140	156	162
Bengal	85	93	94
Punjab and Delhi	92	115	143
Rest of British India	39	52	47
TOTAL BRITISH INDIA	2,346	2,570	2,474
TOTAL INDIAN STATES	524	551	566
TOTAL INDIA	2,870	3,121	3,040

Besides Indian cotton, fairly large quantities of foreign raw cotton are also used in Indian mills for the manufacture of finer fabrics. In the year under review, the total receipts of foreign cotton in British India amounted to 468,000 bales as compared with 540,000 bales in 1938-39. The British East Africa was, as usual, the principal source of supply and sent 202,000 bales as against 334,000 bales in the preceding year Egypt and Anglo-Egyptian Sudan together supplied 211,000 bales or 35,000 bales more than in 1938-39. Imports from the United States of America also advanced from 26,000 bales to 52,000 bales.

Exports.

Cotton Manufactures (R8,58 lakhs).—The position of the cotton industry during the year under review has already been reviewed in Chapter I. The production and exports of the different classes of piecegoods during the past three years are shown below:

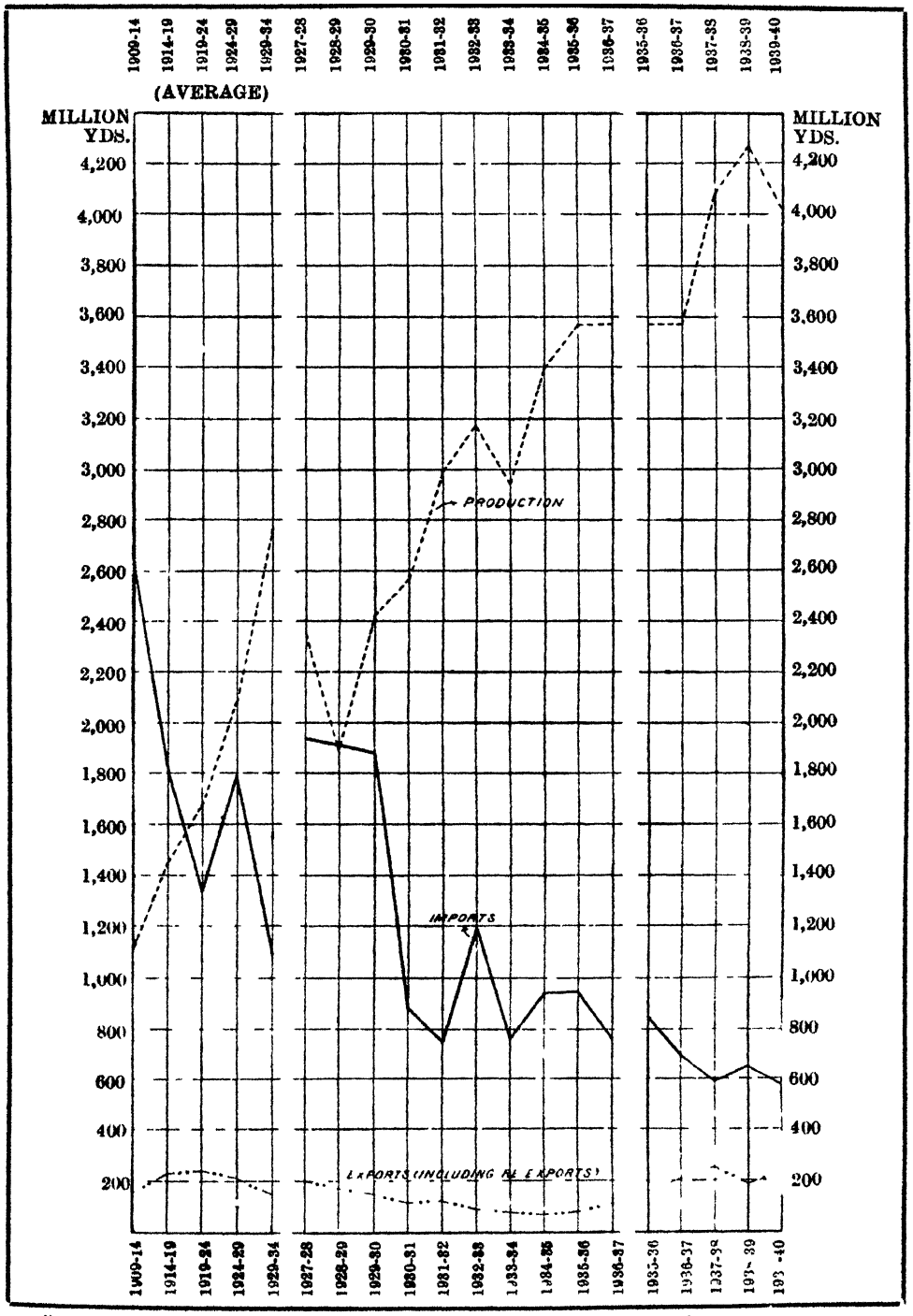
(In million yards)

	MILL PRODUCTION			EXPORTS		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Grey and bleached piecegoods—						
Shirtings and longcloth	1,084·5	1,040·1	1,011·6	21·8	12·4	11·4
Chadars	67·3	74·6	70·6	5·4	1·0	3·5
Dhuties	1,215·4	1,154·8	1,230·3			
T cloth, domestics and sheetings	191·3	183·3	173·2	0·1	..	0·1
Drills and jeans	152·9	135·2	122·3	1·8	1·0	1·6
Other sorts	479·3	149·1	478·3	76·9	61·4	76·8
TOTAL	3,190·7	3,337·1	3,086·3	106·0	78·8	93·4
Coloured piecegoods	893·6	932·2	926·2	135·2	98·2	128·0
TOTAL PIECEGOODS	4,084·3	4,269·3	4,012·5	241·2	177·0	221·4

While cotton mill production showed a decline, exports of cotton piecegoods, which had reached the low level of 177 million yards in 1938-39, improved by 25 per cent to 221 million yards in 1939-40 the corresponding increase in value being from R4,79 lakhs to R6,11 lakhs or 28 per cent. This increase was distributed over all the three principal categories; grey goods advanced by 11 million yards to 80 million yards; bleached goods, by 3 million yards to 13 million yards and coloured goods, by 30 million yards to 128 million yards. Of the total exports of piecegoods, 110 million yards or 50 per cent went to Burma as compared with 87 million yards or 49 per cent in the preceding year. Exports to Ceylon and the Straits Settlements also advanced from 19 million yards and 17 million yards to 23 million yards each. Exports to Egypt declined from 3 million yards to about 2 million yards. Shipments to Nigeria also fell by about 2½ million yards to 5 million yards, while those to the East African ports recorded an increase from 10 million yards to 14 million yards. There were increased shipments to Arabia, the Bahrein Islands, and the Federated Malaya States, while those to Iraq, Aden and Thailand showed decreases. Iran practically took nothing in 1939-40, though she had purchased about 2 million yards in the preceding year. Bombay as usual, had the bulk of the trade and accounted for 66 per cent of the total exports, while Madras had 31 per cent of the trade as compared with 70 per cent and 27 per cent, respectively, in the preceding year. The following table shows the average declared value, per yard, of exported piecegoods

COTTON PIECEGOODS.

Chart showing the production, imports and exports of cotton piecegoods during the five quinquennia ending 1929-34 and the last thirteen years.



NOTE - (i) The space after 1929-34 separates the several quinquennia and the annual figures

(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

compared with the corresponding values of imported piecegoods during the last three years :—

	Exports			Imports		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
Grey	0 3 5	0 3 1	0 3 2	0 2 3	0 1 11	0 1 11
White	0 3 8	0 3 7	0 3 9	0 3 4	0 2 11	0 3 5
Coloured . . .	0 5 0	0 5 4	0 5 3	0 3 6	0 3 0	0 3 1

As compared with the preceding year, the average declared values of grey and white goods exported increased during the year under review, while those of coloured goods showed a decrease. These values were, however, higher than those of the corresponding descriptions of imported piecegoods.

The figures of production of cotton twist and yarn in Indian mills are given in the table on page 267. Exports of cotton twist and yarn declined from 38 million lbs. to 37 million lbs. in quantity and from R1,88 lakhs to R1,79 lakhs in value. Shipments to Burma continued to advance and totalled 15 million lbs. as against 12 million lbs. in the preceding year. Exports to other principal countries generally showed decreases. Shipments to Hongkong and the Straits Settlements declined from 8 million lbs. and 6 million lbs. to 5 million lbs. and 3 million lbs., respectively. Exports to Syria also fell by 1 million lbs. to 2 million lbs. in 1939-40. Among other countries, Aden, Palestine and Turkey together required approximately 3 million lbs., each taking a little more than in 1938-39, while shipments to Siam fell from 1 million lbs. to the negligible quantity of 368,000 lbs.

Raw Wool (**R3,23 lakhs**).—Exports of raw wool declined in quantity from 55·4 million lbs. in 1938-39 to 53·2 million lbs. in 1939-40, but due to a rise in prices, advanced in value from R2,99 lakhs to R3,23 lakhs. In Karachi, the price of Kandahar wool, cleaned basis, steadily rose during the year under review. During the first three months, the price was quoted at R32 per maund (82 lbs.). The price was stabilized at a slightly higher level of R34 during the following three months. From the latter part of October, prices began to rise rapidly. The quotation, which stood at R38 on October 24, reached R42 in the course of the next two weeks. By December 12, it touched R44, and on January 16, it rose still further to R48, at which level the price remained almost till the close of the year, when a slightly easier tendency set in. On March 26, the quotation fell down to R45.

Exports of raw wool to the United Kingdom declined from 45·0 million lbs. in 1938-39 to 33·3 million lbs. in the year under review. On the other hand, there were increased shipments to the United States of America which totalled 19·2 million lbs. as against 9·0 million lbs. in 1938-39. Exports to other countries were comparatively small. Re-exports of foreign wool showed an advance from 10·6 million lbs. valued at R31 lakhs to 16·4 million lbs. valued at R57 lakhs. As usual, the bulk of these shipments went to the United States of America which took 15·0 million lbs. (R54 lakhs) in 1939-40 as against 9·9 million lbs. (R29 lakhs) in the preceding year. The remainder

was shipped chiefly to the United Kingdom. The following table shows the exports of raw wool of Indian origin and imports of foreign wool by land into India and the corresponding re-exports by sea during the last five years :—

—	Imports by land (Rail-borne trade at stations adjacent to land frontier routes)	Re-exports by sea	Exports by sea (Indian merchandise)
	Cwts. (000)	Cwts. (000)	Cwts. (000)
1935-36	140	101	440
1936-37	194	118	464
1937-38	130	77	339
1938 39	140	94	495
1939-40	207	146	475

The export trade in raw wool is confined chiefly to Sind and Bombay, the percentage shares of these provinces in 1939-40 being 65 and 29 as compared with 75 and 21 in the preceding year. In the case of re-exports, Sind had 19 per cent and Bengal, 81 per cent of the trade as against 33 and 67 per cent, respectively, in 1938-39.

Exports of carpets and rugs declined further from 8·9 million lbs. valued at R82 lakhs in 1938-39 to 8·3 million lbs valued at R74 lakhs in the year under review. As usual, the United Kingdom was the chief customer taking 5·5 million lbs with a total value of R44 lakhs as against 7·2 million lbs. valued at R61 lakhs in 1938-39. Exports to the United States of America and Canada were valued at R15 lakhs and R8 lakhs as compared with R7 lakhs each in the preceding year. Shipments to Australia were valued at R2 lakhs.

Tea (**R26,08 lakhs**). —The total production of tea in India in 1939-40 has been estimated at 452 million lbs which is practically the same as in the preceding season. As usual, Assam contributed the largest quantity and produced 253 million lbs. or 56 per cent of the total Indian production in 1939-40 season. Production in the rest of Northern India amounted to 121 million lbs., or 27 per cent. Southern India accounted for 78 million lbs. or 17 per cent. The acreage and production for a number of years are shown in the following table :—

Acreage.

—	1906	1915	1934	1935	1936	1937	1938	1939*
	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres
Assam . .	339,200	382,800	435,900	437,200	438,600	440,000	439,100	438,200
Rest of Northern India .	153,900	181,300	231,500	232,200	234,100	232,400	231,900	232,000
Southern India . .	37,600	68,000	158,900	162,300	161,200	161,900	162,000	162,400
TOTAL .	530,700	632,100	826,300	831,700	834,100	834,300	833,000	832,600

* Subject to revision.

Tea.

Production.

—	1906	1915	1934	1935	1936	1937	1938	1939*
	lbs. (000)	lbs. (000)	lbs (000)	lbs (000)	lbs. (000)	lbs. (000)	lbs (000)	lbs. (000)
Assam .	162,468	245 752	232,835	226 417	223,326	241,527	261,037	252,920
Rest of Northern India .	64,216	94 695	105,861	103 742	107,347	117,451	115 705	121,209
Southern India .	14,281	31,610	60,555	64,270	61 508	71,272	75,119	77,733
TOTAL .	240,965	372,057	399,271	394 429	395 181	430,250	451,861	451,862

* Subject to revision

The exports for the corresponding official years are shown in the table below :—

Exports of tea by sea to foreign countries.

—	1906-07	1915-16	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40
	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)
From Northern India (Calcutta and Chittagong)	217,931	301 403	276,453	265,531	259 805	282 777	291,507	298,589
From Southern India (Madras ports).	13 980	25,840	48 139	50 85	46 004	51,414	56,303	57 096
From Bombay and Sind .	1 743	11,227	241	65	67	24	240	1 010
TOTAL .	233 654	338,470	324,833	315,981	305 876	334 225	34[illegible]	356 695

Exports abroad rose in quantity from 348 million lbs in 1938-39 to 357 million lbs. in 1939-40 or by 3 per cent. the corresponding increase in value being from R23,29 lakhs to R26,08 lakhs, or 12 per cent. The total quantity exported in the year under review represented 79 per cent of the total production as compared with 77 per cent in the preceding year.

The auction sales for invoices with export rights for the 1939-40 season opened at Calcutta on May 15 and, despite the suspension from September 26 to October 15, there were altogether 32 sales, while for internal consumption, there were 35 sales in the year. The number of chests of sound leaf sold with export rights was 617,446 as against 640,135 in the preceding season. Sales of sound leaf tea for internal consumption, however, rose from 356,564 packages to 380,094 packages in 1939-40. In all, the total number of packages of sound leaf sold was 997 540 as compared with 996,699 in the preceding season. The average price realised for tea sold with export rights improved to 11 as. 5 p. from 9 as. 7 p. in the preceding season, and that for internal consumption also rose from 4 as. 0 p. to 4 as. 4 p.

Exports.

The following table shows the number of chests of sound leaf sold and the average price realised at the Calcutta auction sales since 1932-33, the season immediately preceding the International restriction scheme :—

Season	Number of chests sold			Average price per lb		Total weighted average price per lb
	With export rights	For internal consumption	Total	For teas with export right	For teas for internal consumption	
				As P	As P	As. P.
1932-33	—	—	772 813	–	–	5 2
1933-34	575,709	267,635	843,344	9 7	4 10	8 1
1934-35	566,834	282 991	849,825	8 9	5 2	7 7
1935-36	527,340	290,336	817,676	9 5	4 10	7 9
1936-37	584,918	322,913	907,831	10 1	4 8	8 2
1937-38	617,653	567 260	184 913	11 4	4 9	8 11
1938-39	640 135	356 5[illegible]4	996,[illegible]99	[illegible]	4 0	–
1939 40	617 416	380 094	997 510	[illegible]	[illegible] 4	8 9

Taking 1932-33 as the base the variation in the production in Northern India and in the total quantity of sound leaf tea sold at the Calcutta auction sales (including tea sold for internal consumption) and the average prices realised at these sales are set forth below :

Season	Production	Total quantity sold (for both export and internal consumption)	Average price
1932-33	100	100	100
1933-34	87	109	156
1934-35	91	110	147
1935-36	89	106	150
1936-37	89	117	158
1937-38	97	127	173
1938-39	102	129	147
1939-40	101	129	169

Of the total exports of 357 million lbs , in 1939-40 the United Kingdom took 287 million lbs. or 80 per cent as compared with 304 million lbs., or 87 per cent of the total of 348 million lbs. in the preceding year. On the outbreak of the war, the Government of the United Kingdom took over

all the bonded stock in that country and the re-export trade was practically closed for the time being. As a result, there were larger shipments from India direct to such markets as Canada and the United States of America which obtained their supplies also from the United Kingdom. Exports to Eire totalled 2·1 million lbs. or 1·3 million lbs. less than in 1938-39. Shipments to Canada and the United States of America advanced to 27·1 million lbs. and 13·4 million lbs. from 15·5 million lbs. and 8·1 million lbs., respectively, in the preceding year. All the principal countries in the nearer markets also took more than in the preceding year. Iran required 6·1 million lbs. as against 5·1 million lbs., Ceylon, 7·0 million lbs. as against 3·9 million lbs. and Burma, 2·7 million lbs. as against 2·0 million lbs. in 1938-39. Exports to Australia rose from 1·3 million lbs. to 3·7 million lbs. in 1939-40. The share of Calcutta in the total exports of tea in 1939-40 was 59 per cent and of Chittagong 24 per cent, the remainder being shipped mostly from Madras. Shipments from Calcutta in 1939-40 amounted to 212 million lbs. (206 million lbs.) and from Chittagong 87 million lbs. (88 million lbs.); while those from Madras totalled 57 million lbs. (56 million lbs.)- the corresponding figures for the preceding year being shown in brackets.

Food grains and flour (R5,07 lakhs). -The total exports of gram, pulse and flour declined from 712,000 tons in 1938-39 to 408,000 tons in 1939-40 or by 15 per cent in quantity, the corresponding fall in value being from R7,74 lakhs to R5,07 lakhs, or by 34 per cent. All the principal classes of food grains participated in this decline which was most noticeable in the case of exports of wheat. The statement below shows the exports of food grains during the past three years.

	1937-38	1938-39	1939-40
	Tons (000)	Tons (000)	Tons (000)
Rice not in the husk	227	282	262
,, in the husk	1	3	4
Wheat	460	279	[illegible]
,, flour	92	61	50
Pulse	[illegible]	81	7[illegible]
Barley	35	9	
Jowar and bajra	4	24	7
Other sorts	3	3	4
TOTAL	878	742	408
VALUE R(lakhs)	9,49	7,74	[illegible],07

Rice (R3,22 lakhs).

Despite large production in India, considerable quantities of rice are imported into the country mostly from Burma. Exports which formed only 1 per cent of Indian production, are destined chiefly to Ceylon, Arabia and certain African

territories having a large Indian population. The following statement compares the total outturn of rice in India and Burma with total exports from and imports into India during the past five years :—

(In thousand tons)

—	Production		Exports		Imports	
	Cleaned rice					
	India proper	Burma	Rice	Paddy	Rice	Paddy
1935-36 . . .	23,213	4,998	189	4	1,391	252
1936-37 . . .	27,828	4,721	235	1	1,419	121
1937-38 . . .	26,702	4,575	227	1	1,198	36
1938-39 . . .	23,915	5,360	282	3	1,282	84
1939-40 . . .	25,257*	4,663*	262	4	1,887	339

* Subject to revision.

The production of cleaned rice in India in 1939-40 amounted to 25·3 million tons as compared with 23·9 million tons in the preceding year, the total area under the crop being 72·3 million acres as against 73·4 million acres in 1938-39. Exports of rice, not in the husk, declined in quantity from 282,000 tons to 262,000 tons, but higher prices accounted for an increase in value from R3,17 lakhs to R3,19 lakhs. The table below shows the direction of export trade in rice : -

Exports of rice, not in the husk, to foreign countries.

(In thousand tons)

—	1937-38	1938-39	1939-40
United Kingdom	6	6	7
Rest of Europe	7	4	2
Ceylon	91	105	91
Rest of Asia . . .	62	81	79
Union of South Africa	23	25	31
East Africa	6	6	7
Other Countries	32	55	45
Total .	227	282	262

Exports to Ceylon amounted to 91,000 tons in 1939-40 as compared with 105,000 tons in the preceding year. Among other Asiatic countries, Arabia and Aden and Dependencies took 45,000 tons and 11,000 tons as against 43,000 tons and 13,000 tons, respectively, in 1938-39. Exports to the Straits

Settlements declined from 11,000 tons, to 9,000 tons, while those to the Bahrein Islands showed an increase from 8,000 tons to 10,000 tons. Shipments to the Union of South Africa amounted to 31,000 tons, or 6,000 tons more than in 1938-39, and those to East Africa totalled 7,000 tons as against 6,000 tons in the preceding year. The United Kingdom took 7,000 tons as compared with 6,000 tons, while the Netherlands required about 1,500 tons, or less than half of what she had taken in 1938-39. Exports to other European countries were comparatively small. It may be noted that the European countries draw their supplies more from Burma than from India. Imports of rice, not in the husk, into India almost entirely from Burma amounted to 1,887,000 tons in 1939-40, the corresponding figure for the preceding year being 1,282,000 tons. Besides these, 339,000 tons of rice, in the husk, were imported into India in the year under review as against 84,000 tons in 1938-39. Of these, Burma supplied 43,000 tons as compared with 59,000 tons in 1938-39. Arrivals from other countries included 262,000 tons from French Indo-China and 34,000 tons from Thailand their respective contributions in the preceding year being 15,000 tons and 8,000 tons.

Wheat (R10 lakhs)

The production of wheat in India in 1938-39 was estimated at 10 million tons, while in 1939-40 it has been put at 10·8 million tons. The world's production in 1939 was good though not equal to the record crop of 1938, and supplies of wheat in Europe were sufficient to meet her demand. Exports from India shrank from 279,000 tons in 1938-39 to 7,800 tons in the year under review and were confined to nearer markets, Burma alone taking 3,500 tons as against 4,600 tons in 1938-39. The following table shows the production and exports of wheat during the past five years.

	Production	Exports
	Tons (000)	Tons (000)
1935-36	9,434	13
1936-37	9,752	235
1937-38	10,764	460
1938-39	9,963	279
1939-40	10,784*	8

* Subject to revision.

Wheat flour (R68 lakhs).

Exports of wheat flour from India also declined from 61,000 tons valued at R78 lakhs to 50,000 tons valued at R68 lakhs. Shipments to Burma totalled 23,000 tons in 1939-40 as against 25,000 tons in the preceding year. Shipments to Arabia and Aden also declined from 13,000 tons and 8,000 tons to 10,000 tons and 6,000 tons, respectively. There was, however, an increase of 800 tons in the exports to Ceylon which amounted to 1,600 tons, but those to the Straits Settlements remained fairly steady at about 5,000 tons. The following table shows the production of wheat in India, the net imports or exports and the balance available for consumption in the country in the last three years. In

calculating the net imports and exports, the equivalent in wheat of flour imported or exported has been taken into account :—

Years	Production of previous crop year	Net imports (+) or net exports (—) during the year	Balance available for consumption during the year
	Tons	Tons	Tons
1937-38	9,752,000	—527,000	9,225,000
1938-39	10,764,000	—207,000	10,557,000
1939-40	9,963,000	+6,000	9,969,000

Other food grains (R1.07 lakhs).

Among other food grains, exports of barley were insignificant, amounting to 500 tons valued at about R$\frac{3}{4}$ lakh in 1939-40. Exports of pulses, consisting largely of *dals* and lentils recorded a decline in quantity from 81,000 tons in 1938-39 to 73,000 tons in 1939-40, but the value rose by about R3 lakhs to R95 lakhs. Ceylon took the largest quantity of *dals* exported in 1939-40, *viz.*, 15,000 tons out of a total of 33,000 tons, while the United Kingdom absorbed 18,000 tons of lentils out of the total of 22,000 tons. Ceylon was also the best purchaser of grams, she having taken about 52 per cent of total exports in 1939-40 as against 16 per cent in the preceding year. Of the total value of exports of pulses the United Kingdom accounted for R2· lakhs; Ceylon, R26 lakhs; the Straits Settlements, R8 lakhs; Mauritius R7 lakhs; Burma, R5 lakhs and the Union of South Africa, R4 lakhs. Exports of jowar and bajra also declined from 24,000 tons valued at R26 lakhs in 1938-39 to 7,000 tons valued at about R7$\frac{1}{2}$ lakhs. Of the shipments in 1939-40, Arabia took 700 tons; Aden, 500 tons; the Italian East Africa, 5,000 tons and the French Somaliland, 600 tons. There were practically no exports of maize and oats from India during the year under review.

Oilseeds (R11,84 lakhs). The total exports of oilseeds, consisting largely of groundnuts and linseed, from British India declined by 29 per cent in quantity and 21 per cent in value and amounted to 849,000 tons valued at R11,84 lakhs as compared with 1,199,000 tons valued at R15,06 lakhs in 1938-39. Supplies were generally normal, but the war brought about a dislocation in the oilseed crushing industry of Europe and, as a result, exports were much smaller in the second half than in the first.

Linseed (R3,18 lakhs).

The Indian linseed crop of the season 1938-39 which was mostly marketed in the year under review was estimated at 442,000 tons as against 461,000 tons in the preceding season. The Argentine crop of 1938-39 was smaller by 8 per cent than the preceding one, the official estimate of the outturn being 1,388,000 tons. Shipments from India dropped by 31 per cent in quantity from 318,000 tons in 1938-39 to 219,000 tons in 1939-40, and by 28 per cent in value from R4,40 lakhs to R3,18 lakhs. As usual, the United Kingdom was the best customer and took

172,000 tons as against 271,000 tons in 1938-39. With the exception of the Netherlands, all the principal Continental countries reduced their purchases. Exports to Germany, France and Italy dropped from 10,000 tons, 9,000 tons and 900 tons to 6,000 tons, 2,000 tons and 400 tons; while Belgium, who had taken 700 tons in 1938-39, was practically out of the market in the year under review. The Netherlands required 1,300 tons—twice as much as in 1938-39, while Greece took 3,000 tons as in the preceding year. There was an increase in the shipments to Australia which amounted to 31 000 tons in 1939-40 as against 21,000 tons in the preceding year. American countries, *viz.*, the United States and Canada, continued to show practically no interest in this trade. The exports in 1939-40 were divided among the provinces in the following proportion: Bengal, 46 per cent (41); Bombay, 43 per cent (56) and Madras, 11 per cent (3), the figures in brackets representing the percentage share in 1938-39.

Groundnuts (R7.19 lakhs).

The production of groundnuts in 1939-40 has been estimated at 3,002,000 tons of nuts in shell as against 3,219,000 tons in the preceding season. Exports of groundnut seeds from British India totalled 549,000 tons valued at R7.19 lakhs in 1939-40 as compared with 835,000 tons valued at R9.93 lakhs in 1938-39. Shipments to the United Kingdom advanced from 96,000 tons in 1938-39 to 108,000 tons in the year under review. Exports to France declined from 150,000 tons to 99,000 tons in 1939-40 and those to Germany, from 115,000 tons to 53,000 tons. Belgium and the Netherlands together took 173,000 tons as against 297,000 tons in 1938-39, while Italy required 19,000 tons or 15,000 tons less than in the preceding year. Shipments to other countries included 6,000 tons to Portugal and 12,000 tons to Palestine, their respective takings in the preceding year being 5 000 tons and 8,000 tons. About 86 per cent of the total quantity shipped in 1939-40 was from Madras Province as compared with 92 per cent in the preceding year, the remainder being despatched almost entirely from Bombay.

Castor seed (R71 lakhs)

Exports of castor seed rose sharply from 8,000 tons valued at R10 lakhs in 1938-39 to 40,000 tons valued at R71 lakhs in 1939-40. The United Kingdom and France increased their requirements from 1,400 tons and 200 tons to 12,000 tons and 2,000 tons, respectively, while the Netherlands curtailed her purchases by about 1,000 tons to 2,000 tons. Belgium and Italy which had taken practically nothing in 1938-39, required 500 tons and 600 tons, respectively, in 1939-40. Japan and the United States of America also reappeared in the market with 7,000 tons and 13,000 tons, respectively, in the year under review.

Rapeseed (R33 lakhs)

There was an improvement in the exports of rapeseed which amounted to 22,000 tons valued at R33 lakhs in 1939-40 as against 12,000 tons valued at R16 lakhs in the preceding year. The United Kingdom took about 16,000 tons or 73 per cent as compared with 3,000 tons or 25 per cent in 1938-39. Among other important countries the Netherlands and France reduced their purchases from 2 700 tons and 3,600 tons to 500 tons and 3,500 tons, respectively. Belgium, which had taken 1,200 tons in 1938-39, required only 30 tons in the year under review. The production of rape and mustard in India in 1939-40 was estimated at 1,097,000 tons as compared with 919,000 tons in 1938-39.

Exports.

Sesamum (R7 lakhs).

Exports of sesamum declined in quantity from 8,000 tons in 1938-39 to 4,000 tons in 1939-40 and, consequently, the value receded from R15 lakhs to R7 lakhs. Burma continued to be the principal customer, although her purchases fell from 3,000 tons to about 2,000 tons. Ceylon and Arabia also reduced their takings from 1,000 tons and 500 tons to 400 tons and 200 tons, respectively.

Other oilseeds (R35 lakhs).

Exports of other non-essential oilseeds, *e.g.*, cotton. copra, etc., were negligible during the year under review. Shipments of essential oilseeds recorded a decline of 27 per cent in quantity from 11,000 tons in 1938-39 to 8,000 tons in 1939-40, and of 13 per cent in value from R23 lakhs to R20 lakhs. The principal descriptions were Coriander (R8 lakhs), Cummin (R6 lakhs), Fennel (R3 lakhs) and Fenugreek (R2 lakhs).

Hides and Skins (R11, 07 lakhs).—Exports of raw hides and skins declined by 10 per cent in quantity from 35,300 tons in 1938-39 to 31,700 tons in 1939-40, but due to a rise in the prices, the value advanced by 7 per cent from R3,81 lakhs to R4,06 lakhs. Of the total quantity exported in 1939-40, raw hides represented 23 per cent and recorded a decrease from 15,400 tons valued at R1,02 lakhs to 11,900 tons valued at R79 lakhs. Shipments in the year under review consisted of 10,200 tons of raw cow hides ; 1,500 tons of buffalo hides and 200 tons of calf skins which are classified under raw hides. The following table shows the details for the past three years :—

	Quantity			Value		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Raw cow hides	16,800	13,300	10,200	1,[illegible]	87	68
" buffalo hides	4,100	1,800	1,500	30	12	10
" other hides	400	300	200	4	3	1
" goat skins	18,600	18,700	[illegible],700	3,07	2,57	3,08
" sheep skins	800	800	800	14	10	11
" other skins	300	400	00	16	12	8
TOTAL HIDES AND SKINS, RAW excluding cuttings	41,300	35,300	31,700	4,94	3,81	4,06

Exports of raw cow hides fell from 13,300 tons valued at R87 lakhs in 1938-39 to 10,200 tons valued at R68 lakhs in 1939-40, of which the United Kingdom absorbed 3,500 tons or 34 per cent as against 1,100 tons or 8 per cent in the preceding year Exports to other principal countries, however recorded decreases. Shipments to Italy fell from 1,700 tons to 1,000 tons and those to Germany from 3,500 tons to 800 tons in 1939-40. Exports to the Netherlands and France were also smaller than in the preceding year and amounted to 200 tons each in 1939-40. Greece required 600 tons or 400 tons less than in 1938-39. Sweden, Norway and Finland together took 1,600 tons as compared with 2,300 tons in the preceding year. For price quotation, a reference may be made to table No. 54 appended to this Review.

Hides and Skins.

Exports of buffalo hides declined from 1,800 tons valued at R12 lakhs in 1938-39 to 1,500 tons valued at R10 lakhs in the year under review. The United Kingdom and the United States of America, which had taken almost nothing in 1938-39, required 200 tons and 300 tons, respectively. There were, however, smaller shipments to Bulgaria and Germany which amounted to below 50 tons each as against 300 tons and 200 tons, respectively, in 1938-39. Exports to Greece also fell from 500 tons to 200 tons. Shipments of calf skins amounted to 200 tons valued at R1 lakh as against 300 tons valued at R2 lakhs in 1938-39 The principal customer was the United Kingdom.

Exports of raw skins declined from 19,900 tons to 19 800 tons in quantity, but the value rose from R2,79 lakhs to R3,27 lakhs. Goat skins formed the bulk of these shipments, exports of which remained practically unchanged at 18,700 tons, the value, however, showed a rise of 20 per cent from R2,57 lakhs to R3,08 lakhs. The United States of America was, as usual, the largest purchaser and was followed by the United Kingdom The former increased her takings from 12,100 tons to 13,200 tons and the latter, from 3,100 tons to 3,300 tons. Germany, Czechoslovakia, the Netherlands, and Belgium together took 400 tons as against 1,300 tons in the preceding year while France required 800 tons or 100 tons less than in 1938-39 Exports to Australia also declined from 800 tons to 700 tons. Exports of sheep skins amounted to 800 tons almost the same as in the preceding year, but higher prices accounted for a rise in value from R10 lakhs to R11 lakhs. Shipments to Sweden and Finland fell from 300 tons each to 200 tons and 100 tons, respectively. The participation of other countries in this trade was not of much importance The average declared value per lb. of the exports was R0-10-5 as against R0-8-4 in 1938-39 For price quotations a reference is again invited to table No. 54.

There was an increase in the exports of tanned hides and skins in the year under review, which totalled 31,900 tons valued at R6,98 lakhs as against 20,200 tons valued at R4,76 lakhs in 1938-39. The following table shows the details for the past three years :—

	Quantity			Value		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Tanned cow hides	13,800	12,200	20,600	.54	1,82	3,34
" buffalo hides	1,300	1 200	3 000	21	15	39
" other hides	1,900	1 400	2,300	45	31	58
" goat skins	3,400	2,800	2,900	1,03	1,22	1,18
" sheep skins	3,500	2,600	3,100	1,00	1 25	1,45
" other skins	..	..		2	1	1
Total Hides and Skins, tanned	23,700	20,200	31,900	6,45	4,76	6,98

Exports.

As a result of the war demand, exports of tanned cow hides showed a marked rise from 12,200 tons in 1938-39 to 20,600 tons in the year under review, representing an increase of 69 per cent in quantity and from R1,82 lakhs to R3,34 lakhs or an advance of 84 per cent in value. Almost the entire quantity was shipped to the United Kingdom. Exports of tanned buffalo hides amounted to 3,000 tons valued at R39 lakhs as compared with 1,200 tons valued at R15 lakhs. Shipments to the United Kingdom advanced from 700 tons to 2,000 tons. Tanned calf skins were also in better demand, exports of which, destined chiefly to the United Kingdom, amounted to 2,300 tons valued at R58 lakhs as compared with 1,400 tons valued at R31 lakhs in 1938-39

Exports of tanned goat skins amounted to 2,900 tons valued at R1,18 lakhs as against 2,800 tons valued at R1,22 lakhs in 1938-39. Purchases by the United Kingdom remained fairly steady at 2,500 tons while those by France declined from about 200 tons to less than 50 tons. Exports to the United States of America, however, advanced from about 100 tons to 400 tons. The United Kingdom also took the largest quantity of tanned sheep skins exported, *viz.*, 3,000 tons out of a total of 3,100 tons as against 2,400 tons out of 2,600 tons in 1938-39. Japan was practically out of the market in 1939-40, her purchases in the preceding year being 120 tons. The average declared values, per lb. of tanned goat skins and sheep skins were R1-13-1 and R2-0-11, as against R1 15-4 and R2-1-11 respectively, in 1938-39

Metals and Ores (R6,45 lakhs).---There was an increase in the exports of metals and ores, the total shipments of which amounted to 1,545,000 tons valued at R6,15 lakhs in 1939-40 as compared with 1,509,000 tons valued at R4,91 lakhs in the preceding year Exports of manganese ore, representing 46 per cent of the total quantity shipped in 1939-40 rose from 456,000 tons to 719,000 tons or an increase of 58 per cent over 1938-39. The United Kingdom, was as usual, the largest purchaser and took 267,000 tons as against 115,000 tons in the preceding year Japan came next, taking 194,000 tons, or 84,000 tons more than in 1938-39 Exports to the United States of America and Belgium also showed increases and amounted to 141,000 tons and 30,000 tons as against 67,000 tons and 10,000 tons, respectively, in 1938-39. On the other hand, shipments to France and Italy declined from 87,000 tons and 48,000 tons to 50,000 tons and 3,000 tons respectively. There were no exports of ferro-manganese ore and those of ferruginous manganese ore amounted to 3,300 tons as against 3,500 tons in 1938-39.

Pig iron (R2,84 lakhs).

Exports of pig iron totalled 569,000 tons valued at R2,84 lakhs in 1939-40 as compared with 514,000 tons valued at R2,56 lakhs in 1938-39. Japan took the largest quantity, *viz.*, 289,000 tons against 330,000 tons in the preceding year, and was followed by the United Kingdom which increased her purchases from 109,000 tons in 1938-39 to 223,000 tons in 1939-40. There was also a noticeable increase in the exports to the United States of America which amounted to 24,0 0 tons as against 8,000 tons in the preceding year. Shipments to other countries in 1939-40 included 10,000 tons to Sweden; 6,000 tons to China and 5,000 tons to France.

Chromite (R9 lakhs).

Exports of chromite also advanced from 15,000 tons valued at R5 lakhs to 30,000 tons valued at R9 lakhs in 1939-40. Almost the entire quantity in 1939-40 went to the United States of America and the United Kingdom which took 19,400 tons and 9,900 tons as against 1,000 tons and 2,600 tons, respectively in the preceding year.

Scrap Steel (R17 lakhs).

Exports of scrap iron or steel for re-manufacture during the year under review were valued at R17 lakhs as compared with R19 lakhs in 1938-39. These were almost entirely shipped to Japan.

Lac (R1,89 lakhs).—There was an improvement in the exports of lac, total shipments advancing from 644,000 cwts. valued at R1,27 lakhs in 1938-39 to 755,000 cwts. valued at R1,89 lakhs in the year under review. The following table shows the details during the past three years

	1937-38		1938-39		1939-40	
	Cwts.	Per cent	Cwts.	Per cent	Cwts.	Per cent
Shellac and button lac	433,200	65	40[illegible],000	[illegible]	454,200	60
Stick lac and seed lac	18[illegible],000	28	208,900	32	268,800	36
Others	43,500	7	0,700		32,100	4
TOTAL	66[illegible],700	100	[illegible],800	100	755,100	100

Exports of shellac rose by 12 per cent in quantity from 384,000 cwts. in 1938-39 to 430,000 cwts. in 1939-40 and by 42 per cent in value from R86 lakhs to R1,22 lakhs Exports to the United States of America more than doubled those in the preceding year and amounted to 265,000 cwts. as against 128,000 cwts. in 1938-39. Brazil and Australia also required more than in the preceding year, shipments to these countries totalling 7,000 cwts. each in 1939-40. The United Kingdom, on the other hand, curtailed her takings from 121,000 cwts to 44,000 cwts. Exports to Germany fell from 34,000 cwts. to 16,000 cwts. There were also reduced shipments to Japan, France and Italy which amounted to 15,000 cwts., 8,000 cwts., and 2,000 cwts. in 1939-40 as against 25,000 cwts., 9,000 cwts. and 4,000 cwts., respectively, in the preceding year. Exports of seed lac also advanced from 206,000 cwts. (R33 lakhs) to 268,000 cwts. (R54 lakhs), of which the United States of America took 224,000 cwts as against 147,000 cwts. in 1938-39. The United Kingdom and the Netherlands required 15,000 cwts. each as compared with 17,000 cwts. and 20,000 cwts., respectively, in 1938-39. Shipments to Germany also dropped from 17,000 cwts. to 9,000 cwts. Of the total exports of button lac amounting to 24,000 cwts. in 1939-40 as against 20,000 cwts. in 1938-39, the United Kingdom took 12,000 cwts. as in the preceding year Exports to the United States of America, however, advanced by 3,000 cwts. to 4,000 cwts. Exports of other kinds of lac, including stick lac but excluding lac-dye, totalled 33,000 cwts. or 1,000 cwts. less than in the preceding year The principal destinations were the Netherlands (13,000 cwts.) and Germany and the United States of America (8,000 cwts., each). The following table

shows the exports of stick lac from Bangkok and Singapore during the past three years :—

[In cwts.]

	1937	1938	1939
To United States of America	.	95	..
„ Germany	9,214	11,130	12,483
„ United Kingdom	172	94	120
„ India	64,214	58,070	176,861
TOTAL (ALL COUNTRIES)	77,221	74,785	224,010

In Calcutta, the price of T. N. shellac was R13-0 per maund in the beginning of the year under review After rising to R14-0 in May, it gradually receded to R12-12 in mid-June. During the next two months, the market improved and the quotation ranged between R14-0 and R14-8. In the middle of September, the price suddenly jumped to R19-0 and in the following week, it rose still further to R25-0. In October, a slightly easier tendency prevailed, but from the middle of November prices began to rise again. On November 17, the quotation stood at R26-0, at which level it remained for the following two weeks. Thereafter, the price suddenly soared high and was quoted at R36-0 on December 8, and at R38-0 on December 22. In January, however, this level was not maintained, and prices began to decline, reaching R26-0 on January 26. Except for a brief period in early March, when it reached R31-0, the price remained in the neighbourhood of this level till the end of the year.

Other Articles. - The following is a summary of the course of trade in the more important of the remaining articles of export .

	1937-38	1938-39	1939-40
	R (lakhs)	R (lakhs)	R (lakhs)
Tobacco	2,00	2,76	2,53
Fruits and vegetables	2,08	2,27	2,37
Oilcakes	2,43	3,01	2,03
Coal and coke	99	1,36	1,93
Mica	1,48	1,14	1,73
Oils	1,01	1,03	1,37
Coir manufactures	1,04	96	1,28
Spices	93	79	1,08
Rubber, raw	84	72	94
Hemp, raw	74	72	86
Coffee	55	75	73
Dye stuffs	67	59	71
Provisions and oilman's stores	63	59	71
Fish	69	69	70
Manures	69	37	48
Paraffin wax	51	36	33
Drugs and Medicines	28	28	33
Bones for manufacturing purposes	44	24	22
Saltpetre	11	11	17
Fibre for brushes, etc.	20	16	13

Tobacco (R2,53 lakhs).

Exports of total tobacco in 1939-40 amounted to 62·0 million lbs. valued at R2,53 lakhs. Though smaller than in 1938-39 when exports had jumped up to 65·1 million lbs. valued at R2,76 lakhs, they were still considerably higher than in 1937-38 when 52·1 million lbs. valued at R2,00 lakhs were exported. Of the total quantity shipped in 1939-40, unmanufactured tobacco represented 93 per cent, exports of which fell from 60·1 million lbs. valued at R2,01 lakhs to 57·6 million lbs. valued at R1,81 lakhs. There was a noticeable decline in the exports to the United Kingdom which amounted to 16·2 million lbs. as compared with 37·6 million lbs. in 1938-39. Japan was practically out of the market in 1939-40, her purchases in the preceding year being 1·1 million lbs. On the other hand, China increased her requirements considerably which totalled 19·6 million lbs. as against 4·0 million lbs. in 1938-39. Exports to Burma also advanced from 10·9 million lbs. to 13·1 million lbs. Aden and Dependencies took 4·3 million lbs. or about 1 million lbs. more than in the preceding year. Exports to other countries in 1939-40 included 824,000 lbs. to the Straits Settlements; 795,000 lbs. to Hongkong; 760,000 lbs. to the Federated Malay States and 577,000 lbs. to the Netherlands, their respective purchases in the preceding year being 727,000 lbs.; 493,000 lbs.; 886,000 lbs.; and 392,000 lbs. As regards manufactured tobacco, cigar is comparatively an unimportant item, exports of which were valued below R1 lakh as in the preceding year. Exports of Indian cigarettes, almost exclusively to Burma, further declined from 1·8 million lbs. valued at R61 lakhs in 1938-39 to 1·3 million lbs. valued at R55 lakhs. Exports of other manufactures of tobacco were valued at R16 lakhs or an increase of R3 lakhs over those in the preceding year.

Coffee (R73 lakhs).

The total reported production of cured coffee in India during the season 1938-39 amounted to 40·1 million lbs. as compared with 33·5 million lbs. in the preceding season. Exports from British India fell from 185,000 cwts. valued at R75 lakhs in 1938-39 to 168,000 cwts. valued at R73 lakhs in the year under review. Shipments to the United Kingdom amounted to 46,000 cwts., or 28,000 cwts. less than in 1938-39. Exports to France, Belgium and the Netherlands also declined from 38,000 cwts., 10,000 cwts. and 5,000 cwts. to 28,000 cwts., 7,000 cwts., and 4,000 cwts., respectively, while those to Norway and Iraq advanced from 23,000 cwts. and 7,000 cwts. to 37,000 cwts. and 11,000 cwts., respectively. Purchases by Australia were almost the same as in the preceding year and amounted to 6,000 cwts. in 1939-40.

Fruits and vegetables (R2,37 lakhs).

Exports of fruits and vegetables advanced in value from R2,27 lakhs in 1938-39 to R2,37 lakhs in 1939-40, of which fresh fruits and vegetables accounted for R75 lakhs (R66 lakhs) and fruits and vegetables, dried, salted or preserved, R1,62 lakhs (R1,61 lakhs); the figures in brackets represent the corresponding value in the preceding year. Exports of onions, the principal item under the former group, totalled 1·6 million cwts. valued at R57 lakhs in 1939-40 as against 1·4 million cwts valued at R53 lakhs in 1938-39. Shipments to Burma and Ceylon advanced from 439,000 cwts. and 632,000 cwts. to 472,000 cwts. and 677,000 cwts. and were valued at R20 lakhs and R19 lakhs, respectively in 1939-40, showing an increase of R1 lakh each over the preceding year. There was also an improvement in the exports to the Straits

Settlements which amounted to 315,000 cwts. as against 289,000 cwts. in the preceding year. Shipments in 1939-40 included 50,000 cwts. to the Federated Malay States. Coconuts were largely exported to Burma shipments of which were valued at R2 lakhs as in the preceding year. Under dried, salted or preserved category, exports of cashew kernels fell from 13,500 tons valued at R1,29 lakhs to 12 800 tons valued at R1,24 lakhs. The bulk of these shipments consisting of 10,200 tons valued at R97 lakhs went to the United States of America.

Expressed in percentages, the share of the United States of America in the total value of the trade in fruits and vegetables, all sorts, in 1939-40 amounted to 41 per cent; of the United Kingdom, 14 per cent and of Burma and Ceylon, 13 per cent each, their respective shares in the preceding year being 49, 7, 14 and 10 per cent.

Oils (R1,37 lakhs).

There was a further improvement in the exports of oils which were valued at R1,37 lakhs in 1939-40 as compared with R1,03 lakhs in the preceding year. Animal and mineral oils form a very small proportion of this total and the trade is practically confined to essential and non-essential vegetable oils. Exports of non-essential vegetable oils advanced from 6·2 million gallons valued at R82 lakhs to 7·2 million gallons valued at R1,12 lakhs. The table in the margin shows the details of these shipments. On the basis of values, the total trade was distributed in the following proportions: Burma, 33 per cent; The United Kingdom, 12 per cent; Mauritius and Dependencies, 7 per cent; the Union of South Africa, the United States of America and Canada, 5 per cent each; the Straits Settlements, 4 per cent; Ceylon, the Federated Malay States, Java, Switzerland and Egypt, 3 per cent each, and other countries 14 per cent.

Exports of vegetable non-essential oils.

(In thousand gallons.)

	1937-38	1938-39	1939-40
Castor oil	1,584	1,105	1,251
Groundnut oil	2,317	3,888	927
Mustard oil	325	406	338
Coconut oil	80	72	51
Other sorts	646	688	1,651
TOTAL	4,952	6,157	7,221

Among essential oils, exports of sandal wood oil rose from 87,000 lbs. (R9 lakhs) to 100,000 lbs. (R11 lakhs). Purchases by the United Kingdom totalled 75,000 lbs. valued at R9 lakhs in 1939 40 as compared with 74,300 lbs. valued at R8 lakhs in 1938-39; while shipments to Japan receded to 700 lbs. valued at R10,000 only. Exports of lemongrass oil improved from 98,000 gallons to 100,000 gallons, but palmarosa oil recorded a further decline from 7,000 gallons to 4,000 gallons.

Spices (R1,08 lakhs).

There was an improvement in the exports of spices, which amounted to 518,000 cwts. valued at R1,08 lakhs in 1939-40 as compared with 387,000 cwts. valued at R79 lakhs in the preceding year. Betelnuts and chillies represented 30 per cent and 52 per cent, respectively, of the total quantity shipped in 1939-40 and the balance was made up chiefly of ginger, pepper and cardamoms. Exports of chillies, mainly to Ceylon, advanced from 129,000 cwts. valued at R21 lakhs to 268,000 cwts. valued at R43 lakhs; those of betelnuts, on the other hand, declined from 170,000 cwts. (R19 lakhs) to 157,000 cwts. (R17 lakhs), there being smaller shipments to Burma which is, by far, the largest customer.

Oil cakes.

There was an increase of 6,000 cwts. in the exports of cardamoms which totalled 17,000 cwts. valued at R31 lakhs in 1939-40. Exports of pepper also rose from 17,000 cwts. to about 19,000 cwts., while those of ginger remained fairly steady at 54,000 cwts.

Provisions and oilman's stores (R71 lakhs).

Indian provisions and oilmans' stores have only a limited market overseas, exports of which were valued at R71 lakhs in 1939 40 as against R59 lakhs in the preceding year. The principal item under this group is *ghi*, which is exported largely to Burma, the Straits Settlements and other neighbouring territories. Exports during the year under review advanced to 54,600 cwts. valued at R32 lakhs from 44,500 cwts. valued at R28 lakhs in 1938-39. Burma and the Straits Settlements took 20,000 cwts. and 19,000 cwts. as against 14,000 cwts. and 16,000 cwts., respectively, in 1938-39. Shipments to the Federated Malay States, however, remained fairly steady at 4,000 cwts. The United Kingdom was, as usual, the chief market for pickles, chutneys and condiments, exports of which were valued at R5 lakhs as in 1938-39. Exports of butter mainly to Burma, rose from 6,500 cwts. valued at R6 lakhs to 6,900 cwts. valued at R7 lakhs. Shipments of confectionery were valued at R3 lakhs in the year under review.

Fish (R70 lakhs).

Exports of fish (excluding canned) advanced from 336,000 cwts. valued at R69 lakhs in 1938-39 to 358,000 cwts. valued at R70 lakhs in the year under review. The chief item is dry fish of which the unsalted variety accounted for 202,000 cwts. and the salted, for 142,000 cwts. in 1939-40 as against 205,000 cwts. and 120,000 cwts., respectively, in the preceding year; while the exports of fish maws and sharkfins remained fairly steady at 6,000 cwts. Of the total exports in 1939-40, Ceylon and Burma took 237,000 cwts. (R36 lakhs) and 106,000 cwts. (about R26½ lakhs) as compared with 221,000 cwts. (R35 lakhs) and 104,000 cwts. (R27 lakhs), respectively, in the preceding year. Exports to Hongkong were valued at R2 lakhs as in 1938-39.

Oil cakes (R2,03 lakhs).

There was a recession in the exports of oilcakes which totalled 288,000 tons valued at R2,03 lakhs in 1939-40 as compared with 447,000 tons valued at R3,01 lakhs in the preceding year. Exports of groundnut cake, representing 81 per cent of the total quantity shipped in the year under review, recorded a decline from 365,000 tons to 232,000 tons or by 36 per cent. The United Kingdom reduced her purchases from 183,000 tons to 136,000, tons. Shipments to the Netherlands and Belgium also declined from 29,000 tons and 23,000 tons to 4,000 tons each; while those to Germany fell from 80,000 tons to 17,000 tons. Purchases by Ceylon, however, advanced from 6,000 tons to 18,000 tons. The United Kingdom is practically the only customer for Indian cotton and linseed cakes, shipments of which declined from 22,000 tons and 31,000 tons in 1938-39 to 6,000 tons and 30,000 tons, respectively, in 1939-40. Exports of coconut cake, mainly to Belgium, during the year under review, totalled 3,500 tons as against 9,700 tons in 1938-39. As to other oilcakes, Ceylon continued to be the only market for castor cake and rape and seasamum cake. Exports of the former remained almost steady at 1,000 tons; while those of the latter declined from 15,000 tons to 14,000 tons in 1939-40.

Exports.

Manures (R48 lakhs).

There was an improvement in the exports of manures *other than* oilcakes and saltpetre, which amounted to 71,000 tons valued at R48 lakhs in 1939-40 as compared with 53,000 tons valued at R37 lakhs in 1938 39. Shipments of manurial bones including bonemeal, which represented 73 per cent of the total quantity exported in 1939-40, advanced by 12,000 tons or 30 per cent to 52,000 tons. The United Kingdom, Belgium and Ceylon increased their respective takings from 8,000 tons, 15,000 tons and 12,000 tons to 15,000 tons, 19,000 tons, and 13,000 tons. There were no exports to the United States of America as in the preceding year. Exports of other manures also advanced both in quantity and in value as compared with 1938-39 and amounted to 19,000 tons valued at R17 lakhs.

Saltpetre (R17 lakhs).

Exports of saltpetre totalled 185,000 cwts. valued at R17 lakhs as against 135,000 cwts. valued at R11 lakhs in the preceding year. Exports to the United Kingdom more than doubled those in the preceding year and amounted to 65,000 cwts. in 1939-40. Shipments to Mauritius and Dependencies also advanced from 79,000 cwts. to 96,000 cwts., but those to Ceylon fell by 5,000 cwts. to 11,000 cwts.

Hemp, raw (R86 lakhs).

Exports of raw hemp declined in quantity from 816,000 cwts. in 1938-39 to 741,000 cwts. in 1939-40, but due to a rise in the prices, the value advanced by R11 lakhs to R86 lakhs. Shipments to the United Kingdom amounted to 370,000 cwts. or 50 per cent of the total quantity exported in 1939-40 as against 205,000 cwts. or 25 per cent in the preceding year. Exports to the United States of America also advanced from 22,000 cwts. to 61,000 cwts., while those to Belgium, which had been the principal market in previous years fell from 257,000 cwts. in 1938 39 to 112 000 cwts. in 1939-40. France also reduced her purchases from 80 000 cwts to 72,000 cwts and Germany took only 24,000 cwts. as against 53,000 cwts. in the preceding year Shipments to Greece and Italy declined from 18,000 cwts. and 31 000 cwts. to 36,000 cwts. and 15,000 cwts., respectively, in 1939 40

Coir manufactures (R1,28 lakhs).

Exports of coir manufactures other than rope from British Indian ports advanced from 692,000 cwts. valued at R96 lakhs in 1938-39 to 861 000 cwts. valued at R1,28 lakhs in the year under review. Coir yarn accounted for 77 per cent of the total quantity shipped in 1939-40, exports having amounted to 666,000 cwts. valued at R67 lakhs as against 602 000 cwts. valued at R60 lakhs in the preceding year. The United Kingdom displaced Germany as the foremost purchaser and took 196,000 cwts in 1939-40 as compared with 86,000 cwts. in 1938-39. Exports to the Netherlands, France, Italy and the United States of America also rose from 75,000 cwts., 38,000 cwts, 29,000 cwts. and 27,000 cwts. to 94 000 cwts., 44,000 cwts., 31,000 cwts. and 33,000 cwts., respectively. Shipments to Germany, on the other hand, fell from 148,000 cwts. to 48,000 cwts. There were also reduced shipments to Burma which totalled 36 000 cwts. as against 53,000 cwts. in 1938-39. Exports of coir mats and mattings advanced from 59,000 cwts. to 123,000 cwts., of which the United Kingdom absorbed 91,000 cwts. or 74 per cent as against 39,000 cwts. or 66 per cent in the preceding year. Exports of other descriptions of coir

manufactures, mainly to the United Kingdom, also improved from 32,000 cwts. to 72,000 cwts. Besides these, exports of coir manufactures from Travancore ports totalled 587,000 cwts. valued at R1,06 lakhs in 1939-40 as compared with 558,000 cwts. valued at R1,00 lakhs in the preceding year. These were, as usual, shipped chiefly to the United Kingdom.

Fibre (R13 lakhs).

Exports of fibres for brushes and brooms declined from 9,100 tons valued at R16 lakhs in 1938-39 to 5,300 tons valued at R13 lakhs in 1939-40. Shipments to the United Kingdom and the United States of America advanced from 1,100 tons and 600 tons to 1,900 tons and 1,300 tons, but those to Germany and Japan fell from 2,000 tons and 1,300 tons to 200 tons and 400 tons, respectively, in 1939-40. Purchases by the Netherlands and Belgium were on a smaller scale and amounted to 400 tons and 300 tons, respectively.

Coal (R1,89 lakhs).

There was a marked improvement in the exports of coal which amounted to 1,990,000 tons valued at R1,89 lakhs in 1939-40 as compared with 1,321,000 tons valued at R1,32 lakhs in the preceding year, or an increase of 51 per cent in quantity and of 43 per cent in value. Ceylon and the Straits Settlements considerably increased their purchases from 255,000 tons and 7,000 tons to 407,000 tons and 162,000 tons respectively. Exports to China and Hongkong also advanced sharply from 364,000 tons and 71,000 tons in 1938-39 to 561,000 tons and 259,000 tons, respectively, in the year under review. Burma, however, curtailed her requirements from 561,000 tons to 474,000 tons. Exports to other countries in 1939-40 included 70,000 tons to the Philippines and 12,000 tons each to Sumatra and Japan. Besides these, there were 723,000 tons of Indian coal shipped for the use of steamers engaged in foreign trade in 1939-40 as compared with 632,000 tons in the preceding year. The provincial distribution of these exports were as follows :--

	1938-39.	1939-40.
	Tons.	Tons.
Bengal	470,500	533,600
Bombay	141,900	152,900
Sind	13,800	19,300
Madras	5,800	17,600

The production of coal in India during 1939 was estimated at 28 million tons, practically the same as in 1938. The price of Deshargarh coal, per ton into wagon, was R4-8 during the greater part of the year under review. In December, there was an increase to R5-0, at which level the price remained till the middle of February, when it declined by 4 as. to R4-12 and this rate continued to rule till the end of the year.

Rubber raw (R94 lakhs).

The permissible exports in 1939 had been fixed at 50 per cent of the basic quota for the 1st two quarters, which was subsequently raised to 60 per cent for the third and then again to 75 per cent for the last quarter, making an average of 58¾ per cent for the whole year. The actual allotment for India in 1939 was 9,511 tons including a carry-over of 770 tons from the previous year. To this quota, the debitable exports amounted to 9,725 tons making an excess

shipment of 214 tons. For the first half of 1940 the quota has been further raised to 80 per cent. The average price of spot sheet in London during 1939 was 9*d.* as against $7\frac{7}{32}$*d.* in 1938.

There was an improvement in recorded exports from British India which totalled 21·5 million lbs. valued at R94 lakhs in 1939-40 as compared with 17·2 million lbs. valued at R72 lakhs in the preceding year. Exports to the United States of America advanced sharply from 2·9 million lbs. in 1938-39 to 9·6 million lbs. Ceylon also considerably increased her takings from 1·8 million lbs. to 3·5 million lbs. On the other hand, exports to the United Kingdom declined from 6·9 million lbs. to 6·1 million lbs. Shipments to Germany also fell from 3·3 million lbs. to 1·5 million lbs., while there were no exports to Czechoslovakia in 1939-40, her purchases in the preceding year having amounted to 1·5 million lbs. Besides these, exports from Travancore amounted to 1·8 million lbs. valued at R9½ lakhs in 1939 40 as compared with 2·8 million lbs. valued at R9 lakhs in 1938-39. The average declared value, per lb. of exports, including those from Travancore, was 7 as. 1 p. in 1939-40 as against 6 as. 5 p. in the preceding year. A fairly large quantity of raw rubber is also imported into British India mainly from Burma. These consignments, which were received almost entirely in Bengal totalled 7·5 million lbs. (R19 lakhs) in 1939-40 as compared with 5·2 million lbs. (R11 lakhs) in 1938-39.

Mica (R1,73 lakhs).

There was an improvement in the exports of mica which amounted to 217,000 cwts. valued at R1,73 lakhs as compared with 162,000 cwts. valued at R1,14 lakhs in 1938-39. Shipments during the year under review consisted of 29,000 cwts. of blocks, 112,000 cwts. of splittings and 76,000 cwts. of ground, scrap or waste mica. The United Kingdom and the United States of America were, as usual, the principal markets for Indian mica and took 65,000 cwts. and 106,000 cwts. in 1939-40 as against 47,000 cwts. and 39,000 cwts., respectively, in the preceding year; while Japan reduced her purchases from 28,000 cwts. to 25,000 cwts. Exports to Germany also declined considerably from 31,000 cwts to 10,000 cwts. Shipments in 1939-40 included 1,000 cwts. to France.

Paraffin wax (R33 lakhs).

Shipments of paraffin, exclusively from Bengal recorded a further decline from 8,500 tons valued at R36 lakhs in 1938-39 to 7,600 tons valued at R33 lakhs in 1939-40. Exports to the United Kingdom, the principal customer, advanced from 4,600 tons to 5,700 tons; while those to China and the Union of South Africa declined by 100 tons each to 800 tons and 300 tons, respectively. Exports to Germany totalled 200 tons as against 800 tons in the preceding year. There were practically no exports to the Portuguese East Africa, the Netherlands and Belgium in 1939-40.

Dyeing and tanning substances (R71 lakhs).

Exports of dyeing and tanning substances advanced from 1,377,000 cwts. valued at R59 lakhs in 1938-39 to 1,427,000 cwts. valued at R71 lakhs in the year under review. Shipments of myrobalans, the most important item in this group, fell slightly in quantity from 1,221,000 cwts. to 1,209,000 cwts., but higher prices accounted for an increase in value

from R40 lakhs to about R42½ lakhs. The United Kingdom and the United States of America increased their respective purchases from 545,000 cwts. and 223,000 cwts. to 633,000 cwts. and 322,000 cwts. Shipments to France also advanced from 41,000 cwts. to 44,000 cwts., but those to Germany, the Netherlands and Belgium shrank from 117,000 cwts., 45,000 cwts., and 40,000 cwts. to 9,000 cwts., 7,000 cwts. and 18,000 cwts., respectively. Exports of myrobalan extracts, mainly to the United Kingdom, rose from 44,000 cwts. (R4 lakhs) to 83,000 cwts. (R7 lakhs) in 1939-40. There was also an increase in the exports of turmeric which totalled 120,000 cwts. valued at R19 lakhs as against 73,000 cwts. valued at R10 lakhs in the preceding year. Exports of indigo have been insignificant in recent years, and those of cutch and gambier fell from 3,300 cwts. in 1938-39 to 2,800 cwts. in 1939-40.

Drugs and medicines (R33 lakhs).

Exports of drugs and medicines were valued at R33 lakhs in 1939-40 as compared with R28 lakhs in the preceding year. Exports of senna rose from 49,000 cwts. (R6 lakhs) to 60,000 cwts. (R8 lakhs). Shipments to the United States of America and France advanced from 8,000 cwts. and 7,000 cwts. to 21,000 cwts. and 8,000 cwts., respectively, but those to Germany fell from 14,000 cwts. to 10,000 cwts. Exports to the United Kingdom remained fairly steady at 6 000 cwts. Exports of nuxvomica were valued at R1 lakh as in the preceding year. Exports of unspecified drugs and medicines, advanced in value by R3 lakhs to R24 lakhs. The principal customers in the year under review were Hongkong (R9 lakhs), Burma (R5 lakhs) and the United Kingdom and Ceylon (R2 lakhs each).

Bones (R22 lakhs).

Exports of bones for manufacturing purposes declined from 31,000 tons valued at R24 lakhs to 30,000 tons valued at R22 lakhs. Belgium was, as usual, the principal customer, but her purchases fell from 26,000 tons to 19,000 tons. Exports to Germany also fell from 600 tons to 200 tons, but those to France advanced from 2,000 tons to 5,000 tons.

Postal Articles.

Imports and Exports.

The value of the imports of "Postal articles, not specified" amounted to R1,76 lakhs in 1939-40 as compared with R1,93 lakhs in the preceding year. Imports by post of (*a*) jewellery, (*b*) precious stones, (*c*) gold and silver thread, (*d*) cigarettes, (*e*) cinematograph films and (*f*) watches are not included in the above figures, but are recorded under the relevant heads.

The share of the United Kingdom in the total imports declined from R1,17 lakhs to R1,12 lakhs, but her percentage share rose from 61 to 63. The shares of Switzerland and France also advanced from 10 per cent and 6 per cent to 12 per cent and 7 per cent, respectively; while that of Germany remained almost unchanged at 4 per cent. The value of the articles exported by post also declined from R2,67 lakhs to R2,19 lakhs. The principal

destinations were the United Kingdom (R1,27 lakhs or 58 per cent), Ceylon (R51 lakhs or 23 per cent), Hongkong (R8 lakhs or 4 per cent) and Aden and Dependencies (R7 lakhs or 3 per cent).

Re-exports.

The value of the re-export trade in private merchandise advanced by 50 per cent from R6,42 lakhs in 1938-39 to R9,64 lakhs in the year under review. Re-exports of skins, raw, which represented 47 per cent of the total trade as against 34 per cent in the preceding year, rose from R2,19 lakhs (227 tons) to R4,51 lakhs (639 tons). The United Kingdom raised her purchases from 222 tons (R2,17 lakhs) to 274 tons (R2,39 lakhs) and the United States of America, which had taken only 1 ton (R2 lakhs) in 1938-39, required 321 tons (R2,11 lakhs) in the year under review. About 41 tons (R1 lakh) went to Italy in 1939-40. The re-exports of wool, raw, mainly to the United States of America, also rose from 10·6 million lbs. (R31 lakhs) to 16·4 million lbs. (R57 lakhs). Fairly large quantities of foreign sugar, mostly of Java origin, brought into India were subsequently re-exported to neighbouring countries such as Aden, Arabia, Egypt, etc., these shipments totalling 24,000 tons valued at R55 lakhs in 1939-40. Exports of imported cotton piecegoods recorded an increase from 15·6 million yards (R30 lakhs) to 16·6 million yards (R33 lakhs). Increases were also noticeable in the re-exports of instruments, spices, vehicles and chemicals. On the other hand, re-exports of silk manufactures declined in value from R17 lakhs to R14 lakhs. Re-exports of metals and ores, chiefly iron and steel, also fell from 44,000 tons (R37 lakhs) to 34,000 tons (R33 lakhs). The values of apparel, fruits and vegetables and hardware re-exported in 1939-40 recorded decreases. The shares of the principal countries in the total trade in the year under review were: The United Kingdom, 30 per cent: The United States of America, 28 per cent: Burma, 12 per cent; Ceylon, 4 per cent and Arabia and Iraq, 3 per cent, each. As usual, the bulk of the trade passed through Bombay, which accounted for 73 per cent while Bengal had 15 per cent and Sind 11 per cent.

Government Stores.

The total trade in merchandise on Government account during the last three years is given in the table below:—

(In lakhs of Rupees)

——	1937-38	1938-39	1939-40
Imports	3,44	3,19	3,67
Exports	42	50	1,77
Re-exports	14	12	24

Government Stores.

The turnover of the transaction in 1939-40 amounted to R5,68 lakhs as compared with R3,81 lakhs in 1938-39. The most noticeable increases under imports were: vehicles (+R41 lakhs); metals and ores (+R11 lakhs) and machinery and millwork (+R6 lakhs); while there were decreases under arms, ammunition and military stores (−R7 lakhs); chemicals (−R5 lakhs) and instruments, apparatus, etc. and flax (−R3 lakhs each). Exports of Indian merchandise on Government and military accounts rose from R50 lakhs to R1,77 lakhs. Re-exports were valued at R24 lakhs as against R12 lakhs in 1938-39.

CHAPTER IV.

The Direction of Overseas Trade.

The main features of the direction of India's trade in the year ended 31st March, 1940, are shown in the following tables. Tables A, B and C illustrate the shares of the various foreign countries in India's total trade and tables D and E analyse the trade in particular commodities distinguishing the shares of the principal participating countries. It should be noted that the details shown in the tables below are based on the values of trade as actually recorded in the periods stated, and do not take any account either of the changes in the aggregate values or of the variations in the volume of trade consequent upon alterations in the price level :—

TABLE A.

—	1937-38			1938-39			1939-40		
	Exports	Imports	Net Imports (—) or Exports (+)	Exports	Imports	Net Imports (—) or Exports (+)	Exports	Imports	Net Imports (—) or Exports (+)
	R Crores	R Crores	R (Crores)	R Crores	R Crores	R (Crores)	R Crores	R Crores	R (Crores)
United Kingdom	64	52	+12	58	46	12	75	42	+33
Burma	11	26	—15	11	24	—13	13	31	—18
Other British Possessions	24	17	+7	21	18	+3	31	20	+11
TOTAL BRITISH EMPIRE	99	95	+4	90	88	+2	119	93	+26
Europe	37	33	+4	32	28	+4	24	20	+4
United States of America	19	13	+6	11	10	+4	27	15	+12
Japan	19	22	—3	15	15		14	19	—5
Other Foreign Countries	15	11	+4	18	11	+7	29	18	+11
TOTAL FOREIGN COUNTRIES	90	79	+11	79	64	+15	94	72	+22
GRAND TOTAL	189	174	+15	169	152	+17	213	165	+48

TABLE B.

Imports.

—	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom	29·9	30·5	25·2
Burma	14·9	16·0	19·0
Japan	12·8	10·1	11·7
United States of America	7·4	6·4	9·0
Germany	8·8	8·5	4·0
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra	3·0	2·9	2·9
Straits Settlements	2·2	2·7	2·9
Kenya and Zanzibar	2·6	3·4	2·1
Java	0·2	0·3	2·0
China	0·6	1·1	1·6
Belgium	1·9	1·9	1·5
Australia	1·0	1·6	1·4
Italy	1·5	1·8	1·2
Switzerland	1·0	1·1	1·1
France	0·9	0·9	0·9
Netherlands	0·9	0·9	0·9
Ceylon	1·0	0·8	0·9
Canada	0·6	0·6	0·8
Union of South Africa	0·3	0·2	0·4

Direction of Trade.

Table C.

Exports.

—	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent
United Kingdom	33·3	34·1	35·4
United States of America	10·1	8·5	12 0
Japan	10·0	9·0	6·9
Burma	5·7	6·2	6·0
China	1·1	1·5	4·2
France	2·9	3 8	4·0
Ceylon	2·9	3·1	3·1
Australia	1·7	1·8	2·7
Canada	1·3	1·3	2·0
Argentina	1·5	1·8	1·7
Belgium	3·3	2 7	1·6
Union of South Africa	0·8	0·9	1·5
Germany	5·8	5·3	1·4
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra	1·4	1 6	1·3
Straits Settlements	1·4	1·3	1·3
Netherlands	2·1	2·7	1·2
Italy	3·0	1·6	1 0
Spain	0·1	0·1	0·4

Table D.

Imports.

N.B.—In Tables D and E dots (..) indicate that the trade is either *nil* or insignificant.

—	Iron and Steel			Machinery			Hardware		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	50 8	55·8	45 8	63·6	58 8	60 9	34 1	38 1	37·9
United States of America	5·4	3·7	6·9	7·9	11 1	17 0	7 9	8·6	14 1
Sweden	1 9	2·1	2 5	1 6	2·3	1·8	5·4	6 2	6 6
Germany	12 5	11·5	6 9	15·0	16 1	9 4	34 1	29·[illegible]	21·1
Belgium	11·9	9·1	9 5	1·5	2·0	1 8	0·9	1·2	1·3
Japan	7·6	6·3	10·3	2·9	1·6	1·3	9 1	8 2	11·0
France and Luxemburg	5·4	3·1	3·9	0·2	0·2	0·5	0·9	0·8	0·9
Percentage of total trade represented by countries shown	95·5	91·6	85·8	92·7	92·1	92 7	92 4	92·3	92·9
Total value of trade R (lakhs)	8,21	6,68	6,09	17,15	19,05	14,67	3,31	2,57	2,27

Direction of Trade.

TABLE D—*contd.*

—	Motor vehicles			Instruments		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	35·3	37·1	29·9	47·3	50·3	47·3
United States of America	43·0	38·6	47·9	15·3	15·0	19·5
Germany	8·2	8·2	1·9	16·6	17·6	8·6
Netherlands	..	.	..	3·8	2·6	3·8
Belgium	..	..	..	2·1	2·2	2·1
Japan	0·5	0·2	0·3	6·0	3·2	5·2
France	0·5	0·5	0·4	0·5	0·3	0·5
Italy	0·8	1·2	1·0	1 5	1·4	1·6
Canada	10·5	13·1	18·0	0·3	..	0·7
Percentage of total trade represented by countries shown	98·8	98·9	99·4	93·4	92·6	89·3
TOTAL VALUE OF TRADE R (LAKHS)	6,12	4,28	,18	6,13	5,85	5,58

—	Cotton manufactures			Silk manufactures			Artificial silk		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	50·5	40·3	32·1	1·0	0·8	0·8	3·1	5·4	2·8
United States of America	0·1	0 1	0·3	0·5	..	0·8	.	..	..
Germany	0·3	0·3	0 1	1·6	1·5	0·8	1·0	1·8	0·4
Belgium	0·1	0·1	0·1	..	..	..	0·2	..	..
Japan	43·5	50·2	55·0	78·5	64·4	47·9	90·6	65·6	82·6
France	0·3	0·2	0·2	0·5	0·8	0·8	0 2	0 4	0·4
Switzerland	2·6	1·6	1·4	0·5	0·8	1·7	..	..	..
Italy	0·5	0·4	0·4	3·7	3·8	2·5	4·3	24 6	11·8
Netherlands	0·5	0·5	0·4	..	..	..	..	0 4	0·4
China	0·2	4·6	7·5	11·0	22·7	41·2	..	..	0·7
Java and the Straits Settlements	..	..	..	0·5	1·5	0·8	..	0·4	0·2
Percentage of total trade represented by countries shown	98·6	98·3	97·5	97·8	96·3	97·3	99·4	98·6	99·3
TOTAL VALUE OF TRADE R (LAKHS)	15,55	14,15	14,05	1,91	1,32	1,19	4,87	2,24	4·59

Direction of Trade.

TABLE D—*concld.*

—	Liquors			Mineral oils			Paper and pasteboard		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	60·4	61·1	68 5	1·9	2·4	1·2	25 1	27·6	22·3
United States of America	6·5	6·6	6·8	7·1	5 9	8·5	2·9	1·5	6·9
Germany	7 0	7·1	3·2	0·9	0·3	0·2	20·7	19·5	11·6
France	13·0	11·4	9·1	..	..	..	0·2	0·2	0·9
Netherlands	6·1	6·6	4·1		..	..	4·3	4 6	4·6
Iran	..	..	..	15·0	22·1	16·8	.	..	..
Bahrein Islands	..	..	..	1·1	5·2	11·3		.	.
Borneo, Sumatra, etc.*	..	..	..	13 4	9 9	12 6	..	.	0·3
Norway	..	.	.	..	..	..	9·2	11·8	16·2
Sweden	..		..	..	..	..	13·5	12·1	18·2
Union of Socialist Soviet Republics	.	..	..	4·0	0·7	..	..	..	.
Austria	..	..	.	..	..	..	8·0	7·4	1·4
Burma	..	.	..	56·0	52·1	48·4	..	..	..
Percentage of total trade represented by countries shown	93·0	92·8	91·7	99·4	99·1	99·0	84·8	84·8	82·4
TOTAL VALUE OF TRADE R (LAKHS)	2,30	2,11	2,19	17,45	14,67	17,13	4,15	3,23	3,46

* Includes the Straits Settlements and Celebes and other Islands.

—	Provisions and Oilman's stores, etc.			Chemicals, etc.		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	57·7	55·2	51 7	5[illegible]·8	56·7	51·5
United States of America	7·3	6·[illegible]	7 6	5·1	6·6	18·6
Netherlands	7·3	7·7	8·0	2·1	1·6	1·3
Straits Settlements	9·2	10·5	9·1	..	.	..
Hongkong	..	..	.	.	0·5	0·2
Commonwealth of Australia	5·0	5·2	9 5	..	..	..
Germany	0·8	0·8	0·2	14·7	13 1	4·9
Belgium	1·2	1·2	0 3	1 8	1·3	1·3
France	1·2	0·8	0·8	2·1	3·0	1·5
Italy	0·8	0·8	0·8	6·0	5·2	3·1
Japan	1·2	1·2	1·5	6·9	5·2	8·2
Percentage of total trade represented by countries shown	91·7	89·9	90·0	92·5	93·0	90·6
TOTAL VALUE OF TRADE R (LAKHS)	2,60	2,18	2,63	3,33	3,05	4,52

Direction of Trade.

TABLE E.

Exports.

—	Tea			Jute (Raw)			Jute Manufactures		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	87·5	87·4	80·0	19·1	20·2	37 2	9·6	10·4	24·9
Canada	4·1	4·2	7·0	0·3	0·1	0·5	3·3	3·0	3·6
Australia	0·2	0·4	0 9	0·3	0·3	0·5	7 1	7·6	7·5
Union of Socialist Soviet Republics	0·2	..	..	3·5	2·7	0·1	..	..	..
Iran, Arabia, Asiatic Turkey and Iraq	2·1	2·2	2·6	..	..	..	0 9	1·0	0·3
United States of America	1·6	2·0	3 1	12·6	5·0	10 2	29 8	26·4	22 8
Ceylon	0 9	1·1	2·5	..	..	..	0·1	0·2	0·1
Union of South Africa	0·1	0 1	0·2	..	..	..	2 9	3·0	3·8
Thailand	..	..	..	..	..	..	1·0	2·1	2·0
Egypt	..	0·1	0 2	0 6	0·2	0·2	2 0	2·4	2·3
Spain	..	..	..	0 6	1·5	3·0	0·1	..	..
Germany	0·2	0 4	0·2	19·4	19·0	4 6	0 1	0·2	..
France	..	..	..	9·2	11·2	14·5	0·1	0·1	0·2
Italy	..	..	..	10·3	6·9	5·1	..	..	..
Argentina	..	..	..	1·0	1·3	1 8	8·7	10·2	6 5
Java	..	..	..	..	..	..	3·0	2·4	2 5
Japan	..	..	..	1·9	2 1	2·2	0 4	0·3	0·1
Belgium	..	..	..	7 1	7 2	5·0	0·9	0·8	0·4
Percentage of total trade represented by countries shown	96·9	97·9	97·6	85·9	8 7	84 9	70 0	70·1	77·0
TOTAL VALUE OF TRADE R (LAKHS)	24,39	23,29	26,08	14,72	1 ,40	19,73	20,08	26,26	48,69

—	Cotton (Raw)			Oilseeds			Food Grains			Hides and Skin (Raw and Tanned)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	14·7	14·9	17·4	32·3	3·1	37 2	85 3	27·8	7·9	63·4	59·0	60·1
Iran, Arabia, Asiatic Turkey and Iraq	..	..	..	0·2	0 2	0·2	5·1	8·8	1 4	0·2	0 2	0·6
United States of America	2·4	1 7	3·9	1·1	0·7	3 0	0·2	0·1	1·0	15·7	18·6	20·1
Ceylon	0·2	0	0·2	0·8	0·6	0·7	14·5	19·3	28·0	0·1	0·1	0·1
Germany	5·8	6·7	1·5	1 0	10·0	6 4	15·6	5 4	..	4·5	4·7	1·1
France	3·2	6·1	5 7	9·0	1 1	12·2	1·4	0·8	..	2·2	3·4	2·2
Italy	5·4	2·9	1·5	13·3	2·3	2·4	..	0 9	..	·8	1·4	1·0
Japan	50·9	47·2	35·7	1·1	..	0·9	..	..	..	2·3	0·7	0·1
Belgium	7·2	5·2	2·1	4·9	5 4	5·5	1·5	1·0	..	0·6	0 7	0·3
China	2·4	7·2	22 2	..	..	..	..	..	..	..	..	..
Netherlands	1·6	1·6	0·7	15·7	19 0	13·8	0·6	0·4	0 4	1·4	1·1	0·3
Straits Settlements	..	..	..	0 7	0·5	1·0	2·7	3·9	5·3	.	0 1	0·2
Spain	..	..	0·4	..	..	0·1	..	..		..	..	..
Sumatra and Java	..	..	..	0 1	0 1	0·1	..	..	..	..	..	0·1
Percentage of total trade represented by countries shown.	93·8	93·8	94·3	91·5	85·6	83 5	76·9	68·7	56·0	91·2	90·0	95·2
TOTAL VALUE OF TRADE R (LAKHS).	29,03	23,86	30,11	14,16	15,06	11,84	9,49	7,74	5,07	11,39	8,57	11,04

Direction of Trade.

Table A shows the total overseas trade of India in private merchandise in such a way as to indicate the trade balances with the United Kingdom, Burma, other British Possessions, European countries, the United States of America, Japan and other foreign countries. It will be observed that compared with the preceding year there was, in 1939-40, an increase of R17 crores in the exports to the United Kingdom; while the imports therefrom fell by R4 crores. As a result, the favourable trade balance, rose to the extent of R33 crores as against R12 crores each in the preceding two years. India also enjoys a favourable balance in her trade relations with the other British Possessions excluding Burma, which recorded an improvement from R3 crores in 1938-39 to R11 crores. As regards Burma, India had an adverse balance to the extent of R18 crores in 1939-40 as against R13 crores in the preceding year.

Tables B and C show the percentage distribution of India's import and export trade with the principal foreign countries arranged in order of their importance in the year under review. Comparing 1939-40 with 1938-39, the proportion of imports from the British Empire accounted for 56 per cent of the total import trade as against 58 per cent in the preceding year. As already mentioned, there was a contraction in the imports from the United Kingdom. Australia and East Africa also suffered losses, while there was an improvement in the contribution of Burma, the Straits Settlements, Ceylon, South Africa and Canada. The shares of France and the Netherlands in imports remained practically unchanged, but those of Germany, Belgium and Italy recorded decreases. Larger proportion was, however, received from the United States of America, Japan, China and Java. On the export side the increased shares taken by the United Kingdom, Canada, Australia and the Union of South Africa were sufficient to raise the percentage for the British Empire as a whole from 53 to 56. Among the principal European countries named above, France advanced her share in exports: while the four remaining countries – the Netherlands, Germany, Belgium and Italy reduced their participation. Decreases occurred also in the case of Japan, while China and the United States of America took larger proportion than in 1938-39.

Further analysis of the direction of trade in respect of selected commodities or groups of commodities in imports (Table D) shows that the decrease in the share of the United Kingdom in India's import trade concentrated largely on iron and steel, motor vehicles, cotton manufactures, chemicals, instruments, hardware, etc. In iron and steel, the shares of the United Kingdom and Germany fell, respectively, from 56 and 11·5 per cent to 46 and 7 per cent; while the proportion derived from the United States of America, France and Luxemburg, Belgium and Japan showed increases. Among other countries, Sweden also increased her participation. Under machinery, the United Kingdom and the United States of America contributed 61 and 17 per cent of the total trade, their respective percentages in the preceding year being 59 and 11. On the other hand, the shares of Germany, Belgium, Sweden and Japan recorded declines. In hardware, the decrease in the share of Germany was off-set by increased participation of the United States of America and Japan, while the share of the United Kingdom remained almost steady at 38 per cent. In motor vehicles, the

United Kingdom lost by about 7 per cent, but the United States of America and Canada improved their position from 39 and 13 per cent to 48 and 18 per cent, respectively. The shares of Germany and Italy recorded declines. Under instruments, all the important participating countries, except the United Kingdom and Germany, increased their contribution. The share of the United Kingdom fell from 50 per cent to 47 per cent and that of Germany, from 18 per cent to 9 per cent. The trade in cotton manufactures is largely controlled by the United Kingdom and Japan : the latter, however, improved her position from 50 to 55 per cent at the expense of the United Kingdom, whose share dropped from 40 to 32 per cent. Japan continues to dominate the supplies of silk manufactures as well as artificial silk although her share in the former was considerably reduced from 64 per cent to 48 per cent. In the latter, however, she nearly regained the lost ground and her share amounted to 83 per cent as against 66 per cent in 1938-39. China also increased her share in cotton manufactures and silk manufactures from 5 and 23 per cent to over 7 and 11 per cent, respectively. In artificial silk, the participation of Italy dropped to 12 per cent from 25 per cent in the preceding year. Foreign liquors are chiefly imported from the United Kingdom, France and the United States of America (consignments from that country consist largely of spirits present in drugs) the Netherlands and Germany in the order named. The United Kingdom accounted for more than two-thirds of the total imports, while the shares of France, the Netherlands and Germany declined. Burma had a predominant share in the supplies of mineral oils and was responsible for 48 per cent of the total imports in 1939-40 as against 52 per cent in the preceding year. There were also decreases in the supplies from Iran, and those from the U. S. S. R. were practically stopped, while the Bahrein Islands, the United States of America and Borneo and Sumatra increased their shares. In paper and pasteboard, the United Kingdom lost by about 5 per cent of the trade and Germany, by 8 per cent, while the United States of America gained by 5 per cent. Norway and Sweden together accounted for 31 per cent as against 24 per cent in 1938-39, but the share of the Netherlands remained unchanged. In provisions and chemicals, the United Kingdom was responsible for about 52 per cent each as against 55 and 57 per cent, respectively, in the preceding year. In the former, the shares of the United States of America, the Netherlands and Australia recorded improvements, while that of the Straits Settlements declined from 10·5 to 9·1. In chemicals, the participation of the United States of America and Japan advanced respectively from 7 and 5 per cent to 19 and 8 per cent, but that of Germany, Italy and France fell from 13 per cent, 5 per cent and 3 per cent to 5 per cent, 3 per cent and 1·5 per cent, respectively.

On the export side (Table E), the United Kingdom, which is by far the largest purchaser, slightly reduced her share in India's exports of tea in 1939-40, but there were increases in the proportion sent direct to Canada and the United States of America. Ceylon also raised her share. A marked increase was noticeable in the proportion of exports of raw jute to the United Kingdom, France and the United States of America, which absorbed 37 per cent, 15 per cent and 10 per cent as compared with 26 per cent, 11 per cent and 5 per cent, respectively, in the preceding year ; while Germany, Belgium and

Italy participated to a lesser extent in this trade. Under jute manufactures the United States of America further reduced her share to 23 per cent. The share of Argentina also fell from 10·2 per cent to 6·5 per cent, but the proportion sent to the United Kingdom advanced from 10 to 25 per cent. There were slight variations in the shares of Australia and Java. In raw cotton, Japan, by far the largest consumer of Indian raw cotton, accounted for 36 per cent of the total value of the exports as against 47 per cent in 1938-39, while the share of China advanced from 7 per cent to 22 per cent. The United Kingdom, France and the United States of America also took more, but Germany, Belgium and the Netherlands reduced their purchases. In oilseeds, all the principal European countries, with the exception of the United Kingdom and Belgium, reduced their shares. The United States of America, on the other hand, participated to a greater extent. Under food grains, the United Kingdom curtailed her purchases ; while the share of Ceylon rose from 19 per cent to 28 per cent. There were also increases in the exports to the Straits Settlements and the territories like Iran, Arabia and Iraq. In hides and skins, the share of the United Kingdom advanced from 59 per cent to 69 per cent. The United States of America also took more, but other principal countries, *viz.*, Germany, France and Italy, reduced their participation.

The British Empire and Mandated Territories.

The imports from, and exports to, the United Kingdom and other British Possessions are shown in the following tables :

Imports.

Countries	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom	51,96	46,49	41,62
Ceylon	1,66	1,18	1,46
Burma	25,97	24,35	31,38
Straits Settlements	3,74	4,13	4,82
Hongkong	24	35	64
Union of South Africa	48	35	60
Kenya Colony, Zanzibar and Pemba	4,47	5,13	3,45
Canada	1,00	91	1,37
Australia	1,66	2,41	2,39
New Zealand	16	16	13
Other Countries	3,88	3,10	5,25
Total British Empire	95,22	88,56	93,11
British Empire other than Burma	*69,25*	*64,21*	*61,73*

Direction of Trade.

Exports (including re-exports).

COUNTRIES	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom	64,43	58,25	74,87
Aden and Dependencies	1,25	1,11	99
Ceylon	5,59	5,36	6,74
Burma	11,29	11,10	13,47
Straits Settlements	2,65	2,17	2,74
Federated Malay States	46	37	49
Hongkong	87	82	99
Union of South Africa	1,54	1,53	3,09
Mauritius	62	87	89
Kenya Colony, Zanzibar and Pemba	87	69	93
Canada	2,32	2,14	4,12
Australia	3,14	2,98	5,50
New Zealand	48	43	73
Other Countries	3,61	2,46	3,50
TOTAL BRITISH EMPIRE	99,12	90,28	1,19,05
British Empire other than Burma	*87,83*	*79,18*	*1,05,58*

United Kingdom (Imports R41,62 lakhs, Exports R74,87 lakhs). Negotiations carried on between the Government of India and His Majesty's Government in the United Kingdom for a new trade agreement between the two countries were brought to a successful conclusion towards the end of 1938-39 and legislative measures were taken in April, 1939 to give effect to the Agreement.

An examination of the tables given above shows that, compared with 1938-39, there was a decline of R4,87 lakhs or 10 per cent in India's imports from the United Kingdom: while her exports to the United Kingdom advanced by R16,62 lakhs or 29 per cent during 1939-40. The principal commodities imported from the United Kingdom in order of their importance are: machinery and millwork (R8,93 lakhs), cotton manufactures (R4,51 lakhs) and metals and ores, chiefly iron and steel (R3,77 lakhs) which together accounted for more than 40 per cent of the total value of imports from the United Kingdom in 1939-40. Compared with the preceding year, the imports of machinery and millwork dropped by R2,28 lakhs: and those of cotton manufactures and iron and steel, by R1,19 lakhs and R94 lakhs, respectively. Under cotton manufactures, twist and yarn declined from 5 million lbs. (R49 lakhs) to 3 million lbs. (R32 lakhs) and piecegoods, from 206 million yards (R4,63 lakhs) to 145 million yards (R3,62 lakhs). The decrease under piecegoods was shared by each variety; grey goods dropped from 30 million yards (R55 lakhs) to 9 million yards (R20 lakhs), white goods, from 102 million yards (R2,12 lakhs) to 82 million yards (R1,89 lakhs) and coloured goods, from 73 million yards (R1,96 lakhs) to 54 million yards (R1,54 lakhs). The value of imports of woollen manufactures also showed a decline of R21 lakhs and amounted to R46 lakhs. Imports of railway wagons, carriages and parts from the United Kingdom fell from R62 lakhs to R51 lakhs. The United Kingdom is the principal supplier to India of chemicals the imports of which from that country rose by R60 lakhs to R2,33 lakhs.

Instruments, apparatus, etc., fell by R30 lakhs to R2,64 lakhs. Imports of hardware were valued at R86 lakhs as against R98 lakhs in 1938-39. Compared with 1938-39, the quantity of liquors imported remained fairly unchanged at 2·5 million gallons, but the value advanced from R1,29 lakhs to R1,50 lakhs. The United Kingdom's supply of motor cars to India during 1939-40 rose from 5,117 to 5,334 ; while that of omnibuses declined from 607 to 563. Imports of rubber manufactures from the United Kingdom continued to decline and were valued at R47 lakhs as against R89 lakhs in 1938-39. Paper and pasteboard also recorded a fall from R89 lakhs to R77 lakhs.

The principal commodities exported to the United Kingdom were, as usual, tea (R21,11 lakhs), jute, raw and manufactured (R19.45 lakhs), hides and skins (R7,63 lakhs), raw cotton (R5.24 lakhs), seeds (R4.41 lakhs), metals and ores (R1,89 lakhs), raw wool (R1,81 lakhs), oilcakes (R1,16 lakhs) and food grains (R40 lakhs). These articles taken together represented 88 per cent of the total exports to the United Kingdom as against 85 per cent in the preceding year. Exports of tea amounted to 287 million lbs. as against 304 million lbs. in 1938-39, but rose in value from R20,36 lakhs to R21,11 lakhs. Shipments of raw jute advanced from 180,700 tons (R3,51 lakhs) to 193,600 tons (R7,34 lakhs). Owing to the increased demand for gunny bags necessitated by the war, the exports thereof advanced from 75 million (R1,10 lakhs) to 685 million (R7,97 lakhs). Similarly, the yardage of gunny cloth exported advanced from 171 million (R1.58 lakhs) to 260 million (R4,07 lakhs). In the case of hides and skins, the quantity of exports of tanned and dressed varieties advanced from 19,000 tons to 30,000 tons, the increase in value being from R4,45 lakhs to R6,63 lakhs. Raw hides and skins rose from 4,300 tons (R61 lakhs) to 7,300 tons (R1 00 lakhs) Exports of raw skins of foreign origin amounted to 274 tons valued at R2,39 lakhs as compared with 222 tons valued at R2,17 lakhs in 1938-39. Exports of oilseeds fell from 372,000 tons (R4.99 lakhs) to 311,000 tons (R4,41 lakhs) Shipments of linseed amounted to 172,000 tons (R2,42 lakhs) as against 271,000 tons (R3,75 lakhs). Exports of groundnuts and rapeseed advanced to 108,000 tons and 16,000 tons, respectively, from 96,000 tons and 3,000 tons, in 1938-39. As in the preceding year, there were no exports of cotton seed ; while those of castor seed, which had fallen to a low level, rose to 12,000 tons. Despatches of raw cotton to the United Kingdom totalled 84,000 tons or 470,000 bales (R5.24 lakhs) as against 73,000 tons or 409,000 bales (R3,55 lakhs). Due to the absence of the shipments of wheat which in the preceding year totalled 206,000 tons valued at R1,82 lakhs, the total exports of food grains, consisting mainly of pulse and rice, to the United Kingdom amounted to 33,000 tons (R10 lakhs) as compared with 241,000 tons (R2,15 lakhs) in the previous year. Despatches of raw wool to the United Kingdom fell from 45 million lbs. (R2,41 lakhs) to 33 million lbs. (R1,81 lakhs). Under oilcakes, exports of groundnut cakes fell from 183,000 tons valued at R1,21 lakhs to 136,000 tons valued at R90 lakhs, while linseed cake remained stationary at 30,000 tons valued at R21 lakhs. Metals and ores accounted for a rise of R1,01 lakhs. Among other articles of exports, paraffin wax improved from 4,600 tons (R22 lakhs) to 5,700 tons (R27 lakhs), while those of lac dropped from 151,000 cwts. valued at R33 lakhs to 72,000 cwts. valued at R22 lakhs.

Direction of Trade.

Burma (Imports R31,38 lakhs, Exports R13,47 lakhs).—The trade relations between India and Burma continued to be governed by the India and Burma (Trade Regulation) Order, 1937. The aggregate value of the trade between the two countries during 1939-40 amounted to R44,85 lakhs as compared with R35,45 lakhs in 1938-39. India's principal imports from Burma consist chiefly of rice, mineral oils and teak wood. These together represented 87 per cent of the total imports from Burma in the year under review. Imports of rice, not in the husk, during 1939-40 amounted to 1,767,000 tons (R16,65 lakhs) as against 1,281,000 tons (R11,36 lakhs) in 1938-39. Purchases of kerosene oil fell from 114 million gallons to 112 million gallons, but the value recorded a rise from R4,23 lakhs to R4.41 lakhs. Lubricating oils were imported to the extent of 15 million gallons as in the preceding year, but the value advanced by R14 lakhs to R1,09 lakhs, while imports of motor spirit rose from 40 million gallons (R 1.67 lakhs) to 48 million gallons (R2,41 lakhs). Imports of teak wood amounted to 154,000 cubic tons as against 152,000 cubic tons in the preceding year; the value, however, showed a decline from R2,00 lakhs to R1,95 lakhs. Imports of fruits and vegetables, chiefly potatoes, were valued at R31 lakhs.

On the export side, cotton and jute manufactures are the most important items, which taken together accounted for R5,92 lakhs or 48 per cent of the total exports of Indian merchandise (R12,30 lakhs) to Burma in 1939-40. Shipments of cotton piecegoods amounted to 110 million yards (R3,15 lakhs) as against 87 million yards (R2,39 lakhs) in the preceding year. Exports of cotton twist and yarn also advanced from 12·1 million lbs. (R63 lakhs) to 15·2 million lbs. (R74 lakhs). On the other hand, the number of gunny bags shipped fell from 62 million to 52 million, but the value advanced from R1,20 lakhs to R1,77 lakhs. Among other items of exports to Burma, mention may be made of iron and steel (49,000 tons valued at R88 lakhs); tea (2·7 million lbs. valued at R21 lakhs) and sugar including molasses (700 tons valued at R2 lakhs).

Ceylon (Imports R1,46 lakhs, Exports R6,74 lakhs).—Statistics of India's trade with Ceylon include, to some extent, goods in transit through Ceylon which are not separately recorded in the Indian trade returns. The value of imports and exports given above should not, therefore, be taken to indicate the exact trade balance between the two countries. In the year under review, the aggregate value of Indo-Ceylonese trade amounted to R8,20 lakhs as compared with R6,54 lakhs in the preceding year. The principal items of imports into India from Ceylon are copra, coconut oil and tea, which taken together represented 68 per cent of the imports from that country in 1939-40. Imports of copra amounted to 35,700 tons (R68 lakhs) as against 44,500 tons (R61 lakhs) in 1938-39. Imports of coconut oil, on the other hand, advanced from 1·7 million gallons (R 14 lakhs) to 2·6 million gallons (R29 lakhs). Arrivals of tea declined from 291,000 lbs. to 248,000 lbs.; the recorded value, however, remained stationary at R2 lakhs.

In the case of exports to Ceylon, rice not in the husk—by far the most prominent item—was valued at R1,11 lakhs showing a fall of R6 lakhs over the preceding year. Cotton piecegoods, the next principal item of exports, showed a slight improvement and amounted to 23·5 million yards

(R68 lakhs) as compared with 18·9 million yards (R66 lakhs) in 1938-39. Exports of tea to Ceylon during 1939-40 totalled 7 million lbs., valued at R64 lakhs as against 4 million lbs. valued at R26 lakhs in 1938-39. Supplies of coal to Ceylon from India also showed an improvement, and amounted to 407,000 tons (R42 lakhs) as compared with 255,000 tons (R26 lakhs) in 1938-39. Out of a total of 358,000 cwts. (R70 lakhs) of fish, excluding canned fish, exported from India in 1939-40, 237,000 cwts. (R36 lakhs) were consigned to Ceylon. Other important items of shipments to Ceylon in 1939-40 were, fruits and vegetables (R30 lakhs), chillies (R29 lakhs), oilcakes (R28 lakhs), pulses (R26 lakhs) and manures, excluding oilcakes (R20 lakhs).

Straits Settlements (Imports R4,82 lakhs, Exports R2,74 lakhs).—The trade with the Straits Settlements showed an improvement during the year under review, the value of imports and exports having advanced from R4,13 lakhs and R2,17 lakhs to R4,82 lakhs and R2,74 lakhs, respectively. India's imports from the Straits Settlements consist largely of spices, oils and tin unwrought. The aggregate value of the imports of spices amounted to R1,48 lakhs, betelnuts alone being valued at R1,36 lakhs. Under oils, imports of coconut oil amounted to 7 million gallons (R74 lakhs) as compared with 5·2 million gallons (R10 lakhs) in 1938-39, while imports of mineral oils amounted to 14·1 million gallons (R50 lakhs) as against 7·3 million gallons (R25 lakhs) in 1938-39. Purchases of tin unwrought also advanced and amounted to 68,000 cwts. (R1,10 lakhs) as compared with 48,000 cwts. (R63 lakhs) in the preceding year.

The principal items of India's exports to the Straits Settlements consist of cotton piecegoods and gunny bags, both of which showed improvement. Exports of cotton piecegoods, chiefly coloured, totalled 23 million yards (R73 lakhs) as against 17 million yards (R52 lakhs) in 1938-39. The number of gunny bags exported rose from 5·6 million to 10·6 million, the value rising from R13 lakhs to R21 lakhs.

Australia (Imports R2,39 lakhs, Exports R5,50 lakhs).—Compared with the preceding year, the value of imports into India from Australia recorded a slight fall, while exports thereto improved to the extent of R2,52 lakhs. Wheat, the largest item of imports from Australia, declined from 151,000 tons (R1,10 lakhs) in 1938-39 to 85,000 tons (R61 lakhs). India imports a fairly large quantity of raw wool from Australia which during the year under review amounted to 4·9 million lbs. (R49 lakhs) as against 4·4 million lbs. (R36 lakhs) in the preceding year. Imports of tallow and stearine rose from 107,000 cwts. (R16 lakhs) to 141,000 cwts. (R22 lakhs); while those of zinc fell from 266,000 cwts. (R27 lakhs) to 214,000 cwts. (R23 lakhs). Among other important items of imports, provisions accounted for R25 lakhs as against R13 lakhs in the preceding year.

The principal items of India's exports to the Commonwealth consist of jute manufactures. Nearly 71 million gunny bags (R2,80 lakhs) and 41 million yards of gunny cloth (R80 lakhs) were exported as against 66 million gunny bags (R1,62 lakhs) and 31 million yards of gunny cloth (R37 lakhs) in the preceding year. Exports of tea continued to rise and shipments

amounted to 3·7 million lbs. (R24 lakhs) as compared with 1·3 million lbs. (R9 lakhs) in 1938-39. Similarly, shipments of linseed improved from 21,000 tons (R29 lakhs) to 31,000 tons (R51 lakhs).

Canada (Imports R1,37 lakhs, Exports R4,12 lakhs). –Compared with the preceding year, the trade between Canada and India rose by R2,44 lakhs. Canada is the third largest supplier of motor cars to India, and during the year under review 963 motor cars were imported as compared with 972 in 1938-39. There was, however, a phenomenal increase in the number of motor omnibuses imported which rose from 1,958 to 3,531. The total value of motor vehicles imported improved from R56 lakhs in 1938-39 to R93 lakhs. Arrivals of aluminium declined from 7,300 cwts. (R5 lakhs) to 1,700 cwts. (R1 lakh). Imports of carbide of calcium improved from 25,200 cwts. valued at R3 lakhs to 34,500 cwts. valued at R5 lakhs. The value of rubber manufactures imported during the year amounted to R2 lakhs as against R1 lakh in 1938-39.

India's principal exports to Canada are jute manufactures (chiefly gunny cloth) and tea. The exports of gunny cloth advanced from 89 million yards to 134 million yards in quantity and from R75 lakhs to R1,62 lakhs in value: and those of gunny bags, from R4 lakhs to R9 lakhs. Exports of tea recorded a considerable improvement, shipments having risen from 15·5 million lbs. valued at R98 lakhs to 27·1 million lbs. valued at R1,82 lakhs. Despatches of Indian carpets and rugs to Canada were valued at R8 lakhs.

Union of South Africa (Imports R60 lakhs, Exports R3,09 lakhs). -India's trade with the Union of South Africa during the year under review recorded a marked improvement, the total trade being valued at R3,69 lakhs as against R1,88 lakhs in 1938-39. The Union of South Africa is the sole supplier to India of tanning barks, imports of which advanced from 342,000 cwts. valued at R23 lakhs to 698,000 cwts. valued at R44 lakhs.

The principal items of India's exports to the Union consist of jute manufactures and rice, not in the husk. Shipments of jute bags rose from 28 million to 38 million in quantity and from R67 lakhs to R1,49 lakhs in value; and those of gunny cloth, from 10 million yards valued at R11 lakhs to 19 million yards valued at R35 lakhs. Exports of rice, not in the husk, also recorded an improvement from 25,000 tons (R31 lakhs) to 31,000 tons (R39 lakhs).

East Africa (Imports R3,87 lakhs. Exports R1,21 lakhs) - In this group of territories are included Kenya Colony, Zanzibar and Pemba, the Protectorates of Uganda and Nyasaland, Tanganyika and British Somaliland. The total value of the trade with these territories taken together declined from R6,37 lakhs in 1938-39 to R5,08 lakhs in the year under review. Imports from these countries are larger than exports thereto. Raw cotton and spices continued to be the principal items of imports. Compared with the preceding year arrivals of raw cotton fell from 59,600 tons (R5,04 lakhs) to 36,000 tons (R3,24 lakhs), while the imports of spices, chiefly cloves, advanced from R21 lakhs to R40 lakhs.

The chief items of India's exports to East Africa are gunny bags, cotton piecegoods and food grains, which taken together accounted for more than 59 per cent of the exports during the year under review. Shipments of

gunny bags rose from 7·2 million (R16 lakhs) to 9·2 million (R33 lakhs); and those of cotton piecegoods, from 6·3 million yards (R12 lakhs) to 6·8 million yards (R14 lakhs). Food grains, chiefly rice and wheat flour, exported declined from 8,700 tons (R16 lakhs) to 7,700 tons (R15 lakhs).

Foreign Countries.

The following tables show the imports from and exports to the principal European and other foreign countries:

Imports.

Countries	1937-38	1938-39	1939-40
	R(lakhs)	R(lakhs)	R(lakhs)
European Countries—			
Union of Socialist Soviet Republics	73	20	19
Sweden	1,41	1,36	1,48
Norway	53	52	85
Denmark	27	31	18
Germany	15,31	12 93	6,69
Netherlands	1,48	1,43	1,45
Belgium	3,27	2,92	2,55
France	1,57	1,40	1,44
Spain	16	11	9
Switzerland	1,70	1,60	1,83
Italy	2,57	2,69	2,05
Austria	78	47	10
Hungary	21	28	17
Czechoslovakia	1,52	1,03	58
Other Countries	1,25	1,01	78
Total European Countries	32,76	28,26	20,43
Other Foreign Countries			
Arabia	34	27	34
Iraq	52	46	68
Iran	2,74	3,49	3,10
Java	37	51	3,37
Borneo (Dutch)	38	68	35
Thailand	3	9	53
French Indo-China	5	14	2,60
China	98	1,73	2,61
Japan	22,19	15,41	19,29
Egypt	2,98	2,19	2,84
Portuguese East Africa	41	34	24
United States of America	12,88	9,78	14,88
Other Countries	1,94	42	90
Total Other Foreign Countries	45,81	35,51	51,73

Direction of Trade.

Exports (including re-exports).

Countries	1937-38	1938-39	1939-40
European Countries—	R(lakhs)	R(lakhs)	R(lakhs)
Union of Socialist Soviet Republics	56	38	2
Sweden	50	57	70
Norway	41	56	87
Poland	69	45	21
Germany	10,53	8,70	2,98
Netherlands	3,91	4,44	2,56
Belgium	6,00	4,48	3,21
France	5,29	6,23	8,15
Spain	13	22	75
Italy	5,45	2,64	2,08
Austria	7	3	..
Hungary	7	5	6
Greece	54	45	41
Turkey, European	51	19	16
Turkey, Asiatic	31	21	11
Other Countries	1,84	2,59	1,47
Total European Countries	36,81	32,19	23,74
Other Foreign Countries—			
Egypt	1,49	1,26	1,78
Arabia	1,13	1,22	1,35
Iraq	76	67	89
Iran	79	85	94
Java	1,02	75	1,44
Siam	47	70	1,04
China	1,99	2,50	8,51
Japan	15,51	11,82	14,16
Portuguese East Africa	79	73	1,00
United States of America	18,73	14,29	27,18
Cuba	59	59	82
Argentina	2,71	2,88	3,55
Chile	24	20	29
Other Countries	4,06	5,29	7,34
Total Other Foreign Countries	53,28	46,75	70,29

Japan (Imports R19,29 lakhs, Exports R14,16 lakhs). Imports from Japan into British India during the year under review rose from R15,41 lakhs to R19,29 lakhs; while exports from British India to Japan declined from R14,82 lakhs to R14,16 lakhs. The principal articles of imports were cotton manufactures (R7,73 lakhs), artificial silk (R3,79 lakhs), wool manufactures (R71 lakhs), iron and steel (R63 lakhs), silk manufactures (R57 lakhs), glass and glassware (R54 lakhs), chemicals (R37 lakhs), hardware (R25 lakhs), paper and pasteboard (R24 lakhs), rubber manufactures (R22 lakhs), electrical instruments and apparatus (R20 lakhs), machinery and millwork and earthenware and porcelain (R19 lakhs each), toys and requisites for games (R18 lakhs), stationery (R11 lakhs), and paints and painters' materials (R6 lakhs). These together represented 83 per cent of the total imports in 1939-40 as compared with 84 per cent in the preceding year. Japan has since displaced the United Kingdom as the principal supplier of cotton piecegoods to India, and imports in 1939-40

were valued at R5,13 lakhs, as in the preceding year. The table on the margin shows the quantities of the different descriptions of cotton piece-goods imported during the last three years. Imports of cotton twist and yarn advanced from 21·2 million lbs. (R1.77 lakhs) to 27·2 million lbs. (R2,42 lakhs). Imports of cotton hosiery, however, fell by R5 lakhs in value and amounted to R9 lakhs. Imports of silk manufactures, which were valued at R57 lakhs, recorded a fall of nearly 33 per cent. Imports of artificial silk yarn and manufactures, on the other hand, rose sharply in value from R1,47 lakhs to R3.79 lakhs. Imports of iron and steel, rubber manufactures, electrical instruments, chemicals, paper and pasteboard and hardware together recorded an improvement of R77 lakhs or 68 per cent, while glass-ware stationery, machinery and millwork, earthenware and porcelain and toys and requisites for games together recorded a decline of R24 lakhs or 17 per cent.

(In million yards)

—	1937-38	1938-39	1939-40
Grey . . .	198·9	227·2	223·2
White . . .	64·9	60·9	43·0
Coloured, etc . .	132·2	127·7	127·1

India's exports to Japan consist mainly of raw cotton, pig iron, manganese ore, jute (raw and manufactured), mica, shellac, etc. Shipments of raw cotton fell from 216,000 tons (R11.27 lakhs) to 189,000 tons (R10,77 lakhs). This represented 77 per cent of the total exports to Japan as in the preceding year. Exports of pig iron also declined from 330,000 tons to 289,000 tons in quantity and from R1·64 lakhs to R1.45 lakhs in value. Shipments of manganese ore improved from 110,000 tons (R23 lakhs) to 194,000 tons (R40 lakhs). Despatches of raw jute declined from 15,000 tons to 14,000 tons in quantity, but the value rose from R28 lakhs to R43 lakhs. Exports of gunny bags also fell from 2·5 million (R5 lakhs) to 0·6 million (R2 lakhs). Exports of mica fell from 28,000 cwts. to 25,000 cwts. in quantity, but the value rose from R29 lakhs to R42 lakhs. Despatches of shellac recorded a drop of 40 per cent in quantity from 25,000 cwts. to 15,000 cwts., the corresponding decline in value being from R6 lakhs to R4 lakhs or 33 per cent. Exports of castor seed amounted to 7,000 tons (R10 lakhs) in 1939-40, there being no shipments in the preceding year.

United States of America (Imports R14,88 lakhs, Exports R27,18 lakhs).—Compared with the preceding year the trade with the United States of America recorded a remarkable increase, imports and exports advancing from R9,78 lakhs and R14.29 lakhs to R14,88 lakhs and R27,18 lakhs, respectively. The principal items of India's imports from the United States of America consist of machinery and millwork, motor vehicles, mineral oils, instruments, tobacco, unmanufactured and raw cotton. These items taken together represented 60 per cent of the total imports into India from the United States of America during the year under review, as compared with 65 per cent in the preceding year. Imports of machinery and millwork rose in value from R2·12 lakhs to R2·49 lakhs and those of motor vehicles and parts from R1,65 lakhs to R2,48 lakhs. The number of cars imported, however, declined from 3,170 to 2,969, while that of omnibuses advanced from 5,095 to 10,362. Imports of mineral oils, including lubricating oils,

rose from R86 lakhs to R1,46 lakhs. Receipts of kerosene oil showed an improvement and amounted to 3·9 million gallons valued at R12 lakhs. The total value of instruments imported amounted to R1,09 lakhs as against R88 lakhs in the preceding year. Tobacco, unmanufactured, came to the extent of 3·7 million lbs. (R55 lakhs) as compared with 3·3 million lbs. (R46 lakhs) in 1938-39. Imports of raw cotton amounted to 9,000 tons (R89 lakhs) as against 5,000 tons (R37 lakhs) in 1938-39.

India's principal exports to the United States of America consist of jute, raw and manufactured, hides and skins, lac and raw wool. These items taken together represented 73 per cent of India's exports to the United States of America in 1939-40. Despatches of Indian raw jute during the year under review amounted to 51,000 tons valued at R2,02 lakhs as compared with 31,000 tons valued at R67 lakhs in the preceding year. Exports of jute cloth, however, fell to 764 million yards from 841 million yards in 1938-39, but due to a rise in prices, the value advanced by R3,71 lakhs to R10,41 lakhs. There was a greater demand for gunny bags, exports of which totalled 12·5 million (R35 lakhs) as compared with 10·9 million (R13 lakhs) in the preceding year. Shipments of lac also recorded an improvement from 279,000 cwts. to 501,000 cwts. in quantity and from R50 lakhs to R1,23 lakhs in value. Under hides and skins despatches of raw goat skins, which formed the bulk of the shipments in this group, rose by 1,000 tons to 13,000 tons, the corresponding rise in value being from R1,48 lakhs to R1,94 lakhs. Exports of tanned and dressed hides and skins amounted to 1,068 tons (R16 lakhs) as against 439 tons (R8 lakhs) in the preceding year. Shipments of fruits and vegetables consisting mainly of cashew kernels, were valued at R98 lakhs as compared with R1,11 lakhs in 1938-39. The value of raw wool exported showed an improvement of R88 lakhs over 1938-39 and stood at R1,38 lakhs. Exports of raw cotton totalled 21,800 tons (R1,18 lakhs) as against 10,400 tons (R41 lakhs). Direct shipments of tea to the United States of America also rose from 8 million lbs. to 13 million lbs., the corresponding rise in value being from R47 lakhs to R82 lakhs. As in the preceding year, there was no demand for Indian linseed but exports of castorseed, practically during the last quarter of the year under review, totalled 13,000 tons valued at R28 lakhs.

Germany (Imports R6,69 lakhs. Exports R2,98 lakhs).- The trade figures generally relate to the first six months of the year under review. After the outbreak of war in September, 1939, trade with Germany had practically stopped and the recorded figures since that date, though not appreciable, relate chiefly to cargoes of enemy vessels in the case of imports and in the case of exports to goods that had been shipped before the war, but not registered

owing to full particulars not being known to Custom houses. The trade in the principal articles imported from Germany is shown in the following table :—

—	Units	1937-38	1938-39	1939-40
Alizarine and other coaltar dyes	Lbs. (000)	14,941	7,918	5,731
	R (000)	2,50,56	1,70,33	1,13,77
Iron and steel	Tons (000)	50	30	17
	R (000)	1,03,17	77,35	42,42
Brass and copper	Cwts. (000)	198	216	113
	R (000)	78,32	71,23	39,48
Hardware	R (000)	1,13,19	74,61	47,99
Machinery and millwork	R (000)	2,57,72	3,06,97	1,37,65
Glass and glassware	R (000)	20,76	16,90	12,81
Liquors—				
Ale, beer and porter	Gallons (000)	424	403	189
	R (000)	11,41	11,36	5,28
Spirit	Gallons (000)	14	14	5
	R (000)	3,92	3,36	1,79
TOTAL LIQUORS	Gallons (000)	442	422	195
	R (000)	15,97	15,43	7,27
Paper and pasteboard—				
Printing paper	Cwts. (000)	391	305	206
	R (000)	43,61	30,16	20,00
TOTAL PAPER AND PASTEBOARD	Cwts. (000)	660	490	346
	R (000)	85,64	63,49	40,50
Woollen manufactures	R (000)	20,26	2,71	1,67
Salt	Tons (000)	41	32	10
	R (000)	6,58	4,73	1,00
Haberdashery and millinery	R (000)	6,85	4,38	2,20
Cotton manufactures—				
Hosiery	R (000)	58	38	24
Coloured piece-goods	Yds. (000)	652	561	139
	R (000)	2,04	1,65	67
Blankets	Lbs. (000)	158	53	
	R (000)	46	15	1
TOTAL COTTON MANUFACTURES, *including* twist and yarn	R (000)	4,58	3,77	1,71
Artificial silk manufactures, *including* yarn	R (000)	4,69	4,77	1,90
Goods of silk, mixed with other materials	Yds (000)	223	168	38
	R (000)	2,87	1,44	49

The following table shows the principal articles exported to Germany as recorded in the Indian Sea-borne Trade Accounts :

—	Units	1937-38	1938-39	1939-40
Jute, raw	Tons (000)	113	1[illegible]2	35
	R (000)	2,86,22	2,[illegible]55	90,73
Grain, pulse and flour—				
Wheat	Tons (000)	148	48	
	R (000)	47,34	41,24	
Cotton, raw	Tons (000)	30	54	9
	R (000)	1,69,04	1,61,0[illegible]	14,96
Seeds	Tons (000)	116	127	59
	R (000)	1,0,19	1,0,72	75,85
Hides and skins, raw	Tons (000)	6	4	1
	R (000)	0,28	,67	12,17
Lac	Cwts (000)	89	67	34
	R (000)	20,57	12,29	5,45
Coir manufactures	Tons (000)	8	7	2
	R (000)	15,70	14,08	4,60
Bones (for manufacturing purposes)	Tons (000)	6	1	..
	R (000)	1,19	63	13
Hemp, raw	Cwts. (000)	98	53	24
	R (000)	8,55	4,66	,10

Netherlands (Imports R1,45 lakhs, Exports R2,56 lakhs).—The export trade with the Netherlands met with a striking set-back in 1939-40, while the imports recorded a slight improvement. Under imports, receipts of instruments and apparatus rose in value from R15 lakhs in 1938-39 to R21 lakhs of which over one-half related to wireless apparatus, while those of machinery dropped from R17 lakhs to R12 lakhs. Imports of provisions and oilman's stores, consisting mainly of condensed or preserved milk, were valued at R21 lakhs as compared with R19 lakhs. There were reduced imports of liquors, chiefly ale and beer, which were valued at R9 lakhs as against R14 lakhs in 1938-39. Imports of precious stones also showed a decline from R7 lakhs to R3 lakhs in the year under review. A small quantity of cotton piecegoods is usually imported from the Netherlands, the value of which amounted to R2 lakhs as compared with R3 lakhs in the preceding year.

The principal item of India's exports to the Netherlands is groundnuts, the shipments of which dropped from 232,000 tons valued at R2,76 lakhs to 126,000 tons valued at R1,58 lakhs. Exports of raw jute and oilcakes, the other important commodities, also recorded declines, the former from 13,000 tons (R25 lakhs) to 7,000 tons (R22 lakhs) and the latter from 30,000 tons (R18 lakhs) to 5,000 tons (R3 lakhs). Despatches of raw cotton fell from 9,000 tons to 4,000 tons in quantity and from R39 lakhs to R22 lakhs in value. Shipments of hides and skins, raw, were valued at R3 lakhs as against R9 lakhs in the preceding year.

Belgium (Imports R2,55 lakhs, Exports R3,21 lakhs).—The trade with Belgium during the year under review recorded a decline, imports and exports having dropped from R2,92 lakhs and R4,48 lakhs in 1938-39 to R2,55 lakhs and R3,21 lakhs, respectively in 1939-40. The principal items of imports into India from Belgium are iron and steel (R58 lakhs), precious stones (R57 lakhs), machinery and millwork (R26 lakhs) and glass and glassware (R8 lakhs) all of which recorded decreases in the year under review. Other items of imports are railway carriages, wagons and parts (R8 lakhs) and cotton manufactures (R2 lakhs).

In the case of exports, raw cotton declined from 25,000 tons valued at R1,24 lakhs to 12,000 tons valued at R62 lakhs. Shipments of raw jute also declined and amounted to 33,000 tons (R98 lakhs) as compared with 51,000 tons (R96 lakhs) in 1938-39. Exports of raw hemp fell from 257,000 cwts. to 112,000 cwts. in quantity and from R22 lakhs to R14 lakhs in value. Despatches of Indian groundnuts dropped from 66,000 tons (R78 lakhs) to 47,000 tons (R63 lakhs). Decreases were also noticeable under cotton waste, fruits and vegetables, coffee and jute manufactures, while manganese ore and manures recorded increases.

France (Imports R1,44 lakhs, Exports R8,15 lakhs).—The trade with France recorded an improvement, the value of both imports and exports advancing from R1,40 lakhs and R6,23 lakhs to R1,44 lakhs and R8,15 lakhs, respectively. The principal articles of imports were, as usual, metals (R27 lakhs), liquors (R20 lakhs), dyeing and tanning substances (R11 lakhs), drugs and medicines and machinery and millwork (R8 lakhs each), chemicals (R7 lakhs) and oils and cotton manufactures (R3 lakhs each). All these

articles taken together represented about 60 per cent of the total imports into India during the year from France.

India's principal items of exports to France were, as usual, groundnuts, raw cotton, raw jute, coffee, manganese ore, linseed and hides and skins. Exports of groundnuts declined from 150,000 tons worth R1,78 lakhs to 99,000 tons valued at R1,27 lakhs. Despatches of raw jute improved from 76,000 tons (R1,50 lakhs) to 85,000 tons (R2,86 lakhs). Shipments of raw cotton amounted to 41,000 tons valued at R2,63 lakhs as compared with 30,000 tons valued at R1,45 lakhs in 1938-39. Exports of raw hides and skins were valued at R22 lakhs as in the preceding year, while those of linseed fell from R12 lakhs to R4 lakhs. There was a smaller demand for Indian coffee and manganese ore exports of which were valued at R10 lakhs and R15 lakhs recording a fall of R2 lakhs and R3½ lakhs, respectively, in comparison with 1938-39.

Italy (Imports R2,05 lakhs, Exports R2,08 lakhs).—The imports from Italy declined by R64 lakhs to R2,05 lakhs. Similarly, exports thereto dropped by R56 lakhs to R2,08 lakhs. India's imports from Italy consist mainly of woollen manufactures, cotton piecegoods, artificial silk, machinery and millwork and instruments. The value of woollen manufactures imported fell by R28 lakhs to R18 lakhs. Imports of Italian blankets also declined from 4·0 million lbs. valued at R30 lakhs to 1·6 million lbs. valued at R11 lakhs. Receipts of woollen piecegoods also dropped from 167 000 yards (R4 lakhs) to 82 000 yards (R2 lakhs). Arrivals of cotton manufactures consisting mainly of coloured, printed and dyed piecegoods, were valued at R5 lakhs as in the preceding year. Imports of artificial silk yarn dropped from 10·5 million lbs. worth R53 lakhs to 8·7 million lbs. worth R52 lakhs; while goods of artificial silk mixed with other materials rose from 78,000 yards to 105,000 yards, but the value stood at R1 lakh, as in the preceding year. There were smaller imports of machinery and millwork, while instruments, etc., recorded an improvement.

The principal items of India's exports to Italy consist of raw materials such as raw cotton, oilseeds, raw jute and raw hides. Efforts are being made by Italy to increase cotton culture within her African empire and shipments of raw cotton from India declined from 16,000 tons (R69 lakhs) to 9,000 tons (R44 lakhs). Shipments of oilseeds declined further from 36,600 tons (R44 lakhs) to 20,500 tons (R28 lakhs). Exports of Indian raw jute fell from 46,000 tons to 28,000 tons, but the value rose from R92 lakhs to R1,01 lakhs. Purchases of raw hides from India amounted to 1,000 tons valued at R7 lakhs.

China (Imports R2,61 lakhs, Exports R8,51 lakhs).—India's trade with China during the year under review continued to improve, the value of imports and exports advancing from R1,73 lakhs and R2,50 lakhs to R2,61 lakhs and R8,51 lakhs, respectively. Under imports, the improvement was principally due to larger arrivals of cotton piecegoods and twist and yarn which amounted to 20 million yards (R31 lakhs) and 10·8 million lbs. (R75 lakhs), as against 8,000 yards (R3,000) and 10·4 million lbs. (R65 lakhs), respectively, in 1938-39. Imports of raw silk (1·4 million lbs. valued at

R42 lakhs) rose by R10 lakhs and those of silk piecegoods (3·0 million yards valued at R19 lakhs), by R2 lakhs. Imports of tea also showed an improvement.

Larger shipments of raw cotton accounted for the improvement in exports: 122,000 tons of raw cotton valued at R6,68 lakhs were shipped to China as compared with 34,000 tons valued at R1,71 lakhs in 1938-39. Shipments of both gunny bags (R18 lakhs) and cloth (R5 lakhs) also improved.

South America (Imports R5 lakhs, Exports R5,80 lakhs). -There was a substantial improvement in the trade with the South American countries. The aggregate value of imports amounted to R5 lakhs as against R3 lakhs in 1938-39. In the year under review, India purchased fairly large quantities of nitrate of soda from Chile valued at R4 lakhs. Arrivals of mica from Brazil and Argentina totalled 1 200 cwts. valued at about R1 lakh.

On the export side, the principal items were, as usual, jute bags and cloth, exports of which were valued at R3,99 lakhs as compared with R3,13 lakhs in 1938-39. Argentina took 1·6 million gunny bags valued at R9 lakhs; Chile, 7·8 million bags valued at R20 lakhs and Peru, 8·3 million bags valued at R31 lakhs. Shipments of gunny cloth to Argentina amounted to 217 million yards valued at R3,65 lakhs as compared with 291 million yards valued at R2,62 lakhs in 1938 39. Exports to Peru and Uruguay were comparatively small and amounted to 3·6 million yards and 14·2 million yards, respectively. Brazil took 34,000 tons of raw jute as against 25,000 tons, while Argentina took 15,700 tons as against 10,500 tons in the preceding year. Chile took 21,000 lbs of tea as against 8,000 lbs. in 1938-39.

CHAPTER V.

Foreign Sea-borne Trade of the Maritime Indian States.

The trade, so far dealt with in this Review, relates to that recorded at British Indian ports. This, no doubt, includes the overseas trade of most of the non-maritime Indian States, which are interlaced with British Indian territories. A fairly large volume of foreign trade also passes through the ports in the maritime States in Kathiawar, *viz.*, Bhavnagar, Nawanagar, Morvi, Baroda, Porbandar, Junagadh and Jafarabad. Travancore, owing to her geographical situation, is also interested in sea-borne trade. The volume of the foreign trade of these States, however, bears only a small proportion to the volume of trade recorded at British Indian ports. The total imports into these States during 1939-40 formed only 3·6 per cent of the imports in the same year into British Indian ports as compared with 3·2 per cent in the preceding year, while the proportion of exports was 2·3 per cent as against 3·3 per cent in 1938-39.

1 Kathiawar Ports

The table below gives a summary of the trade of the Kathiawar ports for the past three years :—

(In thousands of Rupees)

	1937-38	1938-39	1939-40
Total value of imports of foreign merchandise .	3,24,45	3,42,67	4,74,61
Total value of exports of Indian merchandise .	2,91,12	3,80,84	3,07,84
Total value of exports of foreign merchandise .	8,76	56	7,41

Generally speaking, imports into Kathiawar ports are greater than exports therefrom, and in 1939-40 imports exceeded exports by R1,67 lakhs. Re-exports from these ports are comparatively of little importance, being valued at about R7½ lakhs in 1939-40. It should be noted that a substantial portion of the imports of foreign merchandise into these States ultimately finds its way into British India across the Viramgam-Dhandhuka land customs line. Imports into British India of foreign goods across the land customs line were valued at R1,53 lakhs and R1,70 lakhs during 1938-39 and 1939-40, respectively; while imports of foreign merchandise into the Kathiawar States during the respective years were valued at R3,43 lakhs and R4,75 lakhs.

Imports.

The following table shows the value of the principal articles of foreign merchandise imported by sea into the Kathiawar States during the years

1937-38, 1938-39 and 1939-40, together with the percentage share of each in relation to the total value of imports in those years :—

—	1937-38	1938-39	1939-40	Percentage on total value of imports of merchandise in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Sugar	7,95	28,55	1,09,48	2·4	8·3	23·1
Oils	24,50	23,72	71,52	7·5	6·9	15·1
Grain, pulse and flour	43,04	29,80	52,09	13·3	8·7	11·0
Cotton, raw	3,43	3,52	9	1·1	1·0	..
Cotton manufactures	38,83	43,66	45,71	12·0	12·8	9·6
Metals and Ores	32,99	38,90	40,90	10·2	11·4	8·6
Machinery and Millwork	20,99	39,72	23,10	6·5	11·6	4·9
Chemicals	23,48	21,22	21,21	7·2	6·2	4·5
Vehicles	14,47	12,94	16,89	4·5	3·8	3·6
Instruments, apparatus and appliances	10,67	10,99	14,26	3·3	3·2	3·0
Wood and timber	17,23	13,79	12,26	5·3	4·0	2·6
Paper and Pasteboard	16,25	11,76	11,04	5·0	3·4	2·3
Fruits and Vegetables	10,17	9,97	8,64	3·1	2·9	1·8
Starch, Dextrine and Farina	9,01	9,98	7,84	2·8	2·9	1·7
Hardware	6,30	5,10	6,87	1·9	1·5	1·4
Silk manufactures	2,27	1,00	1,65	0·7	0·3	0·3
Artificial silk	2,18	1,40	1,12	0·7	0·4	0·2
All other articles	40,69	36,65	29,94	12·5	10·7	6·3
Total Imports	3,24,45	3,42,67	4,74,61	100	100	100

Some of the salient features of the import trade are briefly noted in the following paragraph :—

The principal feature of the year was the very marked increase in the imports of sugar, mainly 23 D. S. and above from Java imports reaching the high level of 86,400 tons valued at R1,09½ lakhs as compared with 27,400 tons valued at R28½ lakhs in 1938-39. Taking the other articles in the order of their importance, the value of imports of oils improved from R24 lakhs to R72 lakhs of which mineral oils were valued at R70 lakhs as against R22 lakhs in the preceding year. Imports of grain, pulse and flour, consisting mainly of rice from Burma, increased from R30 lakhs in 1938-39 to R52 lakhs during the year under review. Cotton manufactures, which accounted for 9·6 per cent of the total value of the imports, rose from R44 lakhs to R46 lakhs. Of this, piecegoods (excluding fents) accounted for R45 lakhs as compared with R43 lakhs in 1938-39. The United Kingdom and Japan were, as usual, the principal sources of supply, their respective shares being 19 million yards (R34 lakhs) and 8 million yards (R10 lakhs). Metals and ores, with a total value of R41 lakhs, accounted for 8·6 per cent of the total value of imports as against 11·4 per cent (R39 lakhs) in 1938-39. Nearly 67 per cent of the imports represented iron and steel materials mainly from the United Kingdom, Germany and France—their shares being 49·1 per cent, 13·1 per cent and 12·2 per cent, respectively. Under vehicles, imports of carriages and wagons and parts for railways, mainly from the United Kingdom, advanced from R4 lakhs in 1938-39 to R10 lakhs. The number of motor cars imported, however, fell from 181 to 170, of which 99 were consigned from the United States of America and 58 from the United King-

dom. The number of motor omnibuses, lorries, etc., dropped from 70 in 1938-39 to 38, of which the United States of America supplied 33. Imports of machinery and millwork declined from R40 lakhs to R23 lakhs. Imports of chemicals were valued at R21 lakhs of which sodium compounds accounted for R12 lakhs and bleaching powder, R4½ lakhs. Imports of paper and pasteboard were valued at R11 lakhs as against R12 lakhs in 1938-39.

The following table shows the shares of the principal supplying countries in the total value of imports during the three years—1937-38, 1938-39 and 1939-40 :—

—	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
United Kingdom	1,11,10	1,21,70	1,21,85	34·2	35·5	25·7
Java	7,59	26,50	1,08,36	2·3	7·7	22·8
Burma	81,46	64,66	71,78	25·1	18·9	15·1
Germany	42,52	53,47	28,85	13·1	15·6	6·1
Japan	13,40	15,15	20 08	4·1	4·4	4·2
United States of America . .	7,31	7,49	16,13	2·3	2·2	3·4
Belgium	8,09	8,57	8,83	2·5	2·5	1·9
Netherlands	12,65	9,60	6,19	3·9	2·8	1·3
Other Countries	40,33	35,53	92,54	12·5	10 4	19·5
TOTAL .	3,24,45	3,42,67	4,74,61	100	100	100

The following table shows the shares of the different States in the total value of the imports during these years :—

—	1937-38	1938-39	1939 40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Morvi . . .	69,83	72,04	1,30,87	21·5	21·0	27·6
Nawanagar . .	69,13	88,85	1,11,03	21·3	25·9	23·4
Baroda . . .	55,56	60,74	95,19	17·1	17·7	20·1
Bhavnagar . .	65,80	50,95	57,16	20·3	14·9	12·0
Junagadh . .	35,99	42,03	46,43	11·1	12·3	9·8
Porbandar . .	28,05	27,94	33,91	8·7	8·2	7·1
Jafarabad . .	9	12	2	..	..	..
TOTAL .	3,24,45	3,42,67	4,74,61	100	100	100

Trade of Kathiawar States.

Exports.

Exports during the year were valued at R3,08 lakhs as against R3,81 lakhs in 1938-39. The principal articles of exports were, as usual, seeds, raw wool, raw cotton, groundnut cake, *ghi* and groundnut oil, which together represented 89·9 per cent of the total exports during the year. The following table shows the shares of the principal articles exported during each of the three years ending 1939-40 :- -

—	1937-38	1938-39	1939 40	Percentage on the total value of exports of merchandise in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Seeds	1,40,47	1,93,88	1,16,03	48·3	50·9	37·7
Wool, raw .	40,81	60,41	97,08	14·0	15·9	31·5
Cotton, raw . .	40,07	52,68	38,00	13·8	13·8	12·3
Groundnut cake .	26,35	34,17	19,11	9·0	9·0	6·2
Ghi .	6,23	6,77	5,85	2·1	1·8	1·9
Groundnut oil . .	9,53	5,24	79	3·3	1·3	0·3
All other articles .	27,66	27,69	30,98	9·5	7·3	10·1
TOTAL EXPORTS .	2,91,12	3,80,84	3,07,84	100	100	100

It will be seen from the above table that seeds—the most important item—represented 37·7 per cent of the total exports in 1939-40 as compared with 50·9 per cent in the preceding year. Of the total exports of 87,000 tons of oilseeds (R1,16 lakhs) in 1939-40, groundnuts accounted for 85,000 tons valued at R1,13 lakhs as against 162,000 tons valued at R1,91 lakhs in 1938-39. The shipments were principally to the United Kingdom (51,500 tons) and Egypt (14,000 tons). Practically, all the shipments of raw wool were for the United Kingdom, these having represented 31·5 per cent (16 million lbs. valued at R97 lakhs) of the value of total exports during the year as against 15·9 per cent (12 million lbs. valued at R60 lakhs) in 1938-39. Exports of raw cotton, which formed 12·3 per cent of the total exports during the year, declined from 12,400 tons (R53 lakhs) in 1938-39 to 9,500 tons (R38 lakhs). Belgium took nearly half the quantity exported, which was valued at R17 lakhs. Among other countries, Japan and France took 1,900 tons and 1,600 tons respectively. The United Kingdom and Egypt were the principal purchasers of groundnut cakes, shipments of which totalled 43,300 tons (R19 lakhs) or 6·2 per cent of the total exports as against 54,400 tons (R34 lakhs) or 9 per cent of the total exports in 1938-39.

Trade of Kathiawar States.

The table below shows the shares of the principal countries in the total value of the exports from the Kathiawar States during the three years—1937-38 to 1939-40 :—

—	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
United Kingdom .	1,82,66	2,10,91	1,81,69	62·8	55·4	59·0
Belgium . . .	26,76	43,06	23,56	9·2	11·3	7·7
Egypt . . .	26,89	49,22	22,79	9·2	13·0	7·4
France . . .	4,61	13,34	9,89	1·6	3 5	3·2
Burma . . .	5,30	8,67	9,68	1·8	2·3	3·1
Japan . . .	6,19	5,64	7,05	2·1	1·5	2·3
Netherlands . .	4,08	11,24	4,31	1·4	2·9	1·4
Germany . .	11,82	14,46	2,26	4·1	3·8	0·7
Italy . . .	5,60	53	17	1·9	0·1	0·1
Other Countries .	17,21*	23,77*	46,44*	5·9	6·2	15·1
TOTAL .	2,91,12*	3,80,84*	3,07,84*	100	100	100

* Includes R1,07,000, R11,91,000 and R12,67,000 the values of "for orders" cargoes during 1937-38, 1938-39 and 1939-40 respectively which remain to be adjusted.

The shares of the different States in the total value of the exports from Kathiawar ports during 1937-38, 1938-39 and 1939-40 are given in the following table :—

—	1937-38	1938-39	1939-40	Percentage share in		
				1937-38	1938-39	1939-40
	R(000)	R(000)	R(000)			
Nawanagar . .	88,21	1,44,23	89,11	30·3	37·9	28·9
Morvi . . .	..	7,14	77,11	..	1·9	25·1
Junagadh . .	90,36	1,06,32	63,39	31·0	27·9	20·6
Bhavnagar . .	65,45	66,06	41,27	22·5	17·3	13·4
Porbandar . .	46,22	52,53	25,50	15·9	13·8	8·3
Baroda . . .	88	4,56	11,46	0·3	1·2	3·7
TOTAL .	2,91,12	3,80,84	3,07,84	100	100	100

The total value of exports and re-exports from and imports into the Kathiawar ports during 1939-40 amounted to R7,90 lakhs as against R7,24

lakhs in 1938-39, and represented 7·3 per cent of the value of trade of the Bombay ports in the same year.

II. Travancore.

In the case of the foreign trade of Travancore, unlike the Kathiawar States, the export trade is of more importance than her imports. Imports into Travancore ports during 1939-40 were valued at R1,26 lakhs as compared with R1,40 lakhs in the preceding year. The total exports by sea during 1938-39 and 1939-40 were valued at R1,61 lakhs and R1,58 lakhs, respectively. The imports into and exports from the Travancore ports during the year under review represented, on the basis of declared values, only 0·8 per cent of the imports and exports in the same year into and from British Indian ports.

Direct imports into the Travancore ports, which are worth noticing, consist of a few articles only. The principal articles of imports during the year were, as usual, grain, pulse, etc., mainly rice from Burma (R91 lakhs); fruits and vegetables, dried, etc., mainly cashew nuts (R20 lakhs); tobacco, raw (R5 lakhs); machinery and millwork and instruments, chiefly electrical (R2 lakhs each) and metals, chiefly iron and steel (R1 lakh).

The principal items of exports from Travancore consist of coir manufactures, shipments of which during the year were valued at R1,06 lakhs. Of these, coir mats and mattings accounted for R40 lakhs, the United Kingdom's shares being R29 lakhs as against R37 lakhs in 1938-39. Exports of coir yarn were valued at R25 lakhs as in the preceding year; while shipments of other sorts of coir manufactures, mostly to the United Kingdom, accounted for R41 lakhs. Ilmenite comes next, and exports of the article during the year were valued at R21 lakhs as compared with R25 lakhs in 1938-39. The bulk of the shipments of ilmenite went to the United States of America. Exports of rubber, raw were valued at R9½ lakhs; while those of dried fruits and vegetables, chiefly cashew kernels, accounted for R4 lakhs. Despatches of fibres for brushes and brooms were valued at R3 lakhs. Shipments of tea were valued at R1 lakh as compared with R5 lakhs in the preceding year.

CHAPTER VI.

Frontier Trade.

I. Trade at Stations adjacent to Land Frontier Routes.

The existing system of registration of the Frontier Trade of India falls under two classes:—(1) Trade at stations adjacent to the land frontier routes and (2) Indo-Afghan Trade. Under the first, only the traffic in selected articles at certain railway stations adjacent to the more important trade routes across the frontier is registered. It may, however, be assumed that a high percentage of the traffic recorded relates to Frontier Trade. The following table shows the trade during the past three years:—

Imports.

Articles	Quantity		
	1937-38	1938-39	1939-40
	(Maunds)	(Maunds)	(Maunds)
Wheat	326,223	174,958	122,355
Gram and pulse	471,584	375,050	186,936
Rice			
Husked	1,585,035	1,703,094	1,517,128
Unhusked	436,795	402,915	326,338
Other grain and pulse	1,125,189	1,088,920	109,198
Hides and skins	176,410	136,647	139,820
Tobacco	114,472	115,707	88,927
Wool, raw	177,542	190,324	281,263
Jute, raw (from Nepal)	221,023	206,905	151,235
Linseed (from Nepal)	297,064	420,117	233,529
Mustard and rapeseed (from Nepal)	452,579	325,729	358,211
Treasure	*Ounces*	*Ounces*	*Ounces*
Gold	2,142	3,644	4,719
Silver	272,777	198,583	4,120,331

Exports.

Articles	Quantity		
	1937-38	1938-39	1939-40
	(Maunds)	(Maunds)	(Maunds)
Cotton piecegoods (Foreign and Indian)	615,487	619,843	597,796
Wheat	459,870	571,631	564,273
Rice, husked	614,821	517,503	503,238
Other grain and pulse	1,148,559	1,091,789	1,095,490
Iron and steel, *including* machinery, hardware and cutlery	369,782	481,888	385,597
Petroleum	510,453	553,422	490,234
Salt	1,626,887	1,628,150	1,540,135
Sugar, refined and unrefined	1,075,563	882,831	877,698
Tea	169,595	154,328	175,775
Tobacco	105,112	121,061	106,516
Treasure	*Ounces*	*Ounces*	*Ounces*
Gold	601	11	91
Silver	566,346	536,164	2,530,864

Frontier Trade.

The figures represent the outward (in the case of imports) and inward (in the case of exports) traffic at the selected railway stations, the bulk of which relates to Frontier Trade.

II. Indo-Afghan Trade.

Separate statistics of trade between India and Afghanistan, which are available since 1937-38 only, are registered at Thal, Chaman and Torkham. One of the principal features of the trade between the two countries is the existence of a large volume of transit trade through India. While it has been possible to maintain a record of such trade through India to Afghanistan, it has not been found practicable to separately record the statistics of Afghan goods in transit through India to countries abroad. The aggregate value of Indo-Afghan trade, including transit trade, amounted to R6,66 lakhs in 1939-40 as compared with R4,64 lakhs in 1938-39.

The principal items of imports into India from Afghanistan are skins and furs, fruits, nuts and vegetables. These together accounted for 85 per cent of the imports in 1939-40, as compared with 87 per cent in the preceding year. It may be stated that almost the entire quantity of skins and furs, consisting mainly of Persian lamb skins, is intended for export to foreign countries. Similarly, a large portion of the quantity of fruits and nuts imported is ultimately sent abroad. In the case of exports to Afghanistan, foreign goods in transit accounted for 70 per cent of the total exports in the year under review, the value of such trade being R1,88 lakhs as against R81 lakhs, representing the value of goods not in transit. Among the principal items of exports, animals, living; boots and shoes; leather and cement were mostly of Indian origin, while there was keen foreign competition in such commodities as iron and steel, cotton manufactures and tea. In regard to exports of instruments, apparatus, appliances and parts thereof, machinery and millwork and sugar, India had only a small share. The tables below show the values of the principal items of trade as also the total values of imports and exports during the last three years :—

Imports into India.

Value in R (000)

Articles	Produce of Afghanistan			Produce of countries other than Afghanistan		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Animals, living	10,43	8,99	11,18	..	..	..
Fruits, nuts and vegetables	98,46	1,06,28	88,57	..	..	..
Skins and furs	2,38,62	1,11,49	2,49,63		..	..
Spices	2,23	1,03	5,68	..	..	..
Cotton, raw	2,96	3,85	20,36	..	..	..
Wool, raw	6,75	1,45	6,60	..	..	..
Wool, manufactured	7,55	11,50	6,36	..	..	..
All other articles of merchandise	3,61	4,36	8,69	1	11	2
GRAND TOTAL (Merchandise)	3,70,61	2,48,95	3,97,07	1	11	2
Treasure— Silver	1,66	10	17	..	..	..

Frontier Trade.

II. Indo Afghan Trade—*contd.*

Exports from India.

Value in R (000)

Articles	Produce of India			Foreign Goods not in transit			Foreign Goods in transit					
							State Goods			Trade Goods		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Animals, living	12,21	7,92	10,76	..	..	..	..	..	..	..	..	..
Boots and shoes	2,24	1,70	2,34	3	21	2	..	..	..	26	13	12
Cement	1,23	1,59	3,80	..	..	..	..	..	..	1	8	..
Instruments, apparatus, appliances and parts thereof	2	1	12	21	27	56	2,85	1,78	2,46	34	1,53	1,54
Leather	1,95	1,67	2,11	..	1	..	3	4	..	7	3	1
Machinery and millwork	26	3	28	1,17	1,40	2,26	4,12	7,54	4,11	2,35	10,67	27,84
Iron and steel	1,22	90	1,75	27	33	51	91	2,07	46	2,33	5,10	3,85
Motor spirit	..	..	7	4,73	51	91	..	..	..	15,86	22,74	29,68
Sugar	60	41	39	..	.	..	..	..	..	11,56	5,54	16,26
Tea	3,56	3,51	7,88	28	13	15	3	..	..	9,56	9,82	6,19
Cotton manufactures	28,25	26,31	32,39	88	68	30	4	..	..	50,12	44,21	54,04
Silk manufactures	41	44	1,45	7	3	43	..	..	..	7,34	3,87	8,05
Motor cars, lorries buses, etc.	..	..	..	1	..	.	3,04	3,52	2,67	9,75	6,74	8,47
All other articles of merchandise	8,89	6,21	9,45	2,49	2,55	3,05	6,16	12,12	2,50	18,48	20,47	19,83
GRAND TOTAL (Merchandise)	60,84	50,70	72 79	10,14	6,12	8,19	17,18	27,07	12,20	1,28,03	1,30,93	1,75,88
Treasure—												
Gold	..	..	..	51,01	..	.	..	..	..	..	..	..

CHAPTER VII.

Balance of Trade and Movement of Treasure.

The turnover of India's overseas trade in merchandise for the year 1939-40 recorded a substantial improvement as compared with the preceding year. There was an increase of R14 crores, or of 26 per cent in exports and of R13 crores, or 9 per cent in imports, resulting in an improvement of about R31 crores in the favourable balance of trade in merchandise in the year under review. The surplus of exports over imports in 1939-40 was nearly R48 crores as compared with about R17½ crores in 1938-39. A survey of the monthly figures given in the following table shows that, with the exception of April, 1939, exports in each month of the year under review exceeded imports.

(In lakhs of Rupees)

—	Private merchandise		Excess Net exports + Net imports —	Excess in the corresponding month of 1938-39
	Imports	Exports		
1939—				
April	13,39	13,26	— 13	70
May	14,56	15,34	+ 78	— 35
June	14,67	15,42	+ 75	+ 75
July	13,63	16,71	+ 3,08	+ 3,68
August	13,86	16,10	+ 2,54	+ 3,20
September	11,28	15,61	+ 4,33	+ 4,92
October	10,32	14,75	+ 4,43	+ 1,72
November	12,50	17,54	+ 5,04	+ 2,03
December	13,63	21,01	+ 7,38	2,00
1940—				
January	16,37	24,41	8,04	— 31
February	15,80	22,40	+ 6,60	+ 64
March	14,74	20,23	+ 5,49	— 16
Total	164,75	213,08	+ 48,33	+ 17,42

N.B.—Railway stores imported by State Railways are not paid for in the ordinary way and do not affect the monthly balance of trade figures. The cost of these stores has, therefore, been excluded from the import side.

In the first month of the year, imports exceeded exports by R13 lakhs. In the next two months, both imports and exports advanced, but, as exports rose to a much larger extent than imports, there was a credit balance of R1,40 lakhs during the first quarter. A recession in imports in the second quarter with a contrary movement in the case of exports raised the credit balance further to R9,95 lakhs. With the outbreak of war in September, both imports and exports declined but as the latter recovered more rapidly than the former, the third quarter ended with a credit balance of R16,85 lakhs. In the last three months of the year, the surplus of exports over imports was still higher and amounted to R20,13 lakhs.

There was also an increase in the net exports of gold which were valued at R34,67 lakhs in the year under review as compared with R13,06 lakhs in

Balance of Trade.

1938-39. The net imports of silver rose from R1,75 lakhs in 1938-39 to R4,74 lakhs in 1939-40. Taking gold, silver and also currency notes into account, the net exports of treasure during 1939-40 amounted to R30,27 lakhs as compared with R11,89 lakhs in the preceding year.

The visible balance of trade, as measured by statistics of merchandise and treasure, was in favour of India to the extent of R79 crores as compared with R29 crores in 1938-39. The balance of remittances of funds in the year under review was *minus* R97 crores as compared with *minus* R33 crores in the preceding year. The figures relating to remittances include the more important Government transactions, but do not take into account (*a*) net payments in India of British postal orders and of foreign money orders of countries which settle their accounts through London and (*b*) Government transfers on account of Iraq and Mauritius. The following table shows in detail the items entering into the balance of trade. Gold acquired by purchasers abroad and earmarked on their account is shown separately in this table. The invisible items that enter into India's balance of accounts, such as shipping services, private remittances and exports and imports of capital, insurances, tourists' expenditure, etc., are not included in the table, as these cannot be estimated accurately.

(In lakhs of Rupees)

—	India excluding Burma			India including Burma		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Exports of Indian merchandise (private).	+180,93	+162,79	+209,44	+195,20	+174,72	+212,83
Re-exports of Foreign merchandise (private).	+[illegible],2	+[illegible],12	+9,64	+7,46	[illegible]	+8,77
Imports of Foreign merchandise (private). (*a*)	—173,33	—151,79	—164,75	—159,47	—1[illegible],704	—144,54
Balance of trade in merchandise .	+15,[illegible]	+17,42	+48,[illegible]	+43,19	[illegible],24	+77,06
Gold (private)	+16,34	+13,05	34,67	+16,32	1[illegible],06	(*b*)
Silver (private) . . .	—2,26	—1,75	—1,74	—1,48	—1,03	
Currency notes (private) . . .	+28	+58	+34	+28	+58	
Balance of transactions in treasure (private).	+14,36	+11,89	+30,27	+15,12	+12,71	
Total visible balance of trade . .	+30,24	+29,[illegible]1	+78,60	+58,31	+55,82	
Gold earmarked on account of purchasers abroad.	—	10,19*	—1,36	—	10,19*	
Purchases of sterling by the Reserve Bank of India.	—29,51	—32,64	—94,57	—33,29	—34,0[illegible]	
Sales of sterling by the Reserve Bank of India.	..	..	..	..	..	
Transfers of Government securities .	—11	—[illegible]	—2,11	—11	—8	
Interest drafts on India in respect of Government of India securities.	—28	—28	—20	—28	—28	
Balance of remittances of funds .	—29,[illegible]0	—33,00	—96,88	—33,68	—34,42	

NOTE.—The sign + means net exports and the sign — net imports.

* Figures relate to the period October, 1938 to March, 1939.

(*a*) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and was not, therefore, taken into account in arriving at the balance of trade.

(*b*) Publication suspended.

Movement of Treasure.

The following table shows the transactions in gold and silver on private account during the last three years :—

(In lakhs of Rupees)

—	Gold		Silver		Gold and Silver. Net imports — Net exports +
	Imports	Exports	Imports	Exports	
1937-38	1,56	17,89	3,00	75	+14,08
1938-39	75	13,81	2,03	28	+11,31
1939-40	1,33	36,00	4,86	12	+29,93

NEW DELHI,
The 6th November, 1940.

T. E. GREGORY,
Economic Adviser to the Government of India.

PART II

TABLES.

PART II—TABLES

NOTE (1).—As a result of the separation of Burma, the trade statistics from 1937-38 given in these tables include the trade of British India with Burma and exclude the direct trade of Burma with foreign countries. Unless otherwise indicated, figures for 1935-36 and 1936-37 have been adjusted, as far as the available data permit, so as to represent British India excluding Burma.

(2).—Throughout these tables "pre-war average" means the average of the five years, 1909-10 to 1913-14, "war average", the average of the five years, 1914-15 to 1918-19, and "post-war average", the average of the five years, 1919-20 to 1923-24.

No. 1.—Value of total Foreign Sea-borne Trade

(In lakhs of Rupees)

	Pre-war average	War average	Post-war average	1937-38	1938-39	1939-40
IMPORTS						
Private merchandise	145,85	147,80	254,05	173,79	152,33	165,27
Government Stores	5,82	11,45	13,00	3,43	3,18	3,68
TOTAL MERCHANDISE	151,67	159,25	267,05	177,22	155,51	168,95
Treasure—						
Private — Gold	32,79	10,60	21,57	1,56	75	1,33
Private — Silver	10,88	4,56	14,18	3,00	2,03	4,86
Private — Currency notes	—	—	1,09*	3	3	7
Government — Gold	..	1,54	9,67	..	..	..
Government — Silver	3,53	22,37	6,16	12	43	37
Government — Currency notes	—	—	49*	..	..	1
TOTAL TREASURE — Gold	32,79	12,14	31,24	1,56	75	1,33
TOTAL TREASURE — Silver	14,41	26,93	20,34	3,12	2,46	5,23
TOTAL TREASURE — Currency notes	—	—	1,58*	3	3	8
TOTAL TREASURE — Total	47,20	39,07	53,16	4,71	3,24	6,64
TOTAL IMPORTS	198,87	198,32	320,21	181,93	158,75	175,59
EXPORTS						
Private merchandise — Indian produce	219,50	215,97	286,33	180,93	162,79	203,44
Private merchandise — Foreign goods (re-exports)	4,62	8,14	15,65	8,28	6,42	9,64
TOTAL PRIVATE MERCHANDISE	224,12	224,11	301,98	189,21	169,21	213 08
Government Stores	11	1,72	4,40	56	62	2,01
TOTAL MERCHANDISE	224 23	225,83	306,38	189,77	169,83	215,09
Treasure—						
Private — Gold	3,92	2,99	9.03	17,89	13,81	36,00
Private — Silver	3,67	1,77	2,66	75	28	12
Private — Currency notes	—	—	10*	31	61	41
Government — Gold	72	1,27	1,22	..	..	..
Government — Silver	1	1,27	10	81	50	4,26
Government — Currency notes	—	—	15*	1	..	..
TOTAL TREASURE — Gold	4,64	4,26	10,25	17,89	13,81	36,00
TOTAL TREASURE — Silver	3,68	3,04	2,76	1,56	78	4,38
TOTAL TREASURE — Currency notes	—	—	25*	32	61	41
TOTAL TREASURE — Total	8,32	7,30	13,26	19,77	15,20	40,79
TOTAL EXPORTS	232,55	233,13	319,64	209,54	185,03	255,88
TOTAL SEA-BORNE TRADE	431,42	431,45	639,85	391,47	343,78	431,47

* Average for two years, 1922-23 and 1923-24.

No. 2.—Value of Merchandise and Treasure, and Gold separately, during the last five years with quinquennial averages for the past seventy years

(In lakhs of Rupees)

—	Merchandise			Treasure			Total of Merchandise and Treasure	Gold		
	Imports	Exports	Excess of Exports over Imports	Imports	Exports	Net Imports		Imports	Exports	Net Imports
Quinquennial average—										
1864-65 to 1868-69	31,70	55,86	24,16	17,62	1,80	15,82	106,98	6,15	32	5,83
1869-70 to 1873-74	33,04	56,25	23,21	8,26	1,59	6,67	99,14	3,26	19	3,07
1874-75 to 1878-79	38,36	60,32	21,96	9,86	2,81	7,05	111,35	1,68	1,04	64
1879-80 to 1883-84	50,16	79,08	28,92	11,66	1,33	10,33	142,23	4,23	10	4,13
1884-85 to 1888-89	61,51	88,64	27,13	13,62	1,64	11,98	165,41	3,41	33	3,08
1889-90 to 1893-94	70,78	104,99	34,21	17,92	3,68	14,24	197,37	4,12	2,02	2,10
1894-95 to 1898-99	73,67	107,53	33,86	14,89	6,40	8,49	202,49	5,48	3,23	2,25
1899-1900 to 1903-04	84,68	124,92	40,24	26,01	11,65	14,36	247,26	13,00	6,82	6,18
1904-05 to 1908-09	119,85	165,44	45,59	36,15	9,30	26,25	331,34	16,85	7,50	9,35
1909-10 to 1913-14	151,67	224,23	72,56	47,20	8,32	38,88	431,42	32,79	4,64	28,15
1914-15 to 1918-19	159,25	225,83	66,58	39,97	7,30	31,77	431,45	12,14	4,26	7,88
1919-20 to 1923-24	367,05	306,38	39,33	53,16	13,26	39,90	639,85	31,24	10,25	20,99
1924-25 to 1928-29	251,02	353,51	102,49	53,68	4,14	49,54	662,35	32,68	18	32,50
1929-30 to 1933-34	161,14	198,60	37,46	13,38	42,26	—28,88*	415,38	6,54	37,26	—30,72*
In the year—										
1935-36	152,01	154,54	2,53	7,84	44,90	—37,06*	359,29	99	38,31	—37,32*
1936-37	144,08	192,41	48,33	16,40	30,00	—13,60*	382,89	1,61	29,46	—27,85*
1937-38	177,22	189,77	12,55	4,71	19,77	—15,06*	391,47	1,56	17,89	—16,33*
1938-39	155,51	169,97	14,46	3,24	15,20	—11,96*	343,92	75	13,81	—13,06*
1939-40	168,95	213,08	44,13	6,64	40,79	—34,15*	429,46	1,33	36,00	—34,67*

NOTE.—Government transactions are included in this table.
*Net exports.

No. 3.—Monthly Sea-borne Trade (private merchandise), Imports and Exports in 1939-40, as compared with the two preceding years 1937-38 and 1938-39, and the pre-war, war and post-war averages, and excess of exports over imports during the same period

(In lakhs of Rupees)

Months	Imports						Exports (including re-exports)						Excess of Exports over Imports					
	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
April .	11,77	11,77	20,16	15,73	13,43	13,44	19,84	17,22	24,70	17,5[illegible]	12,6[illegible]	13,[illegible]	8,07	5,45	4,54	1,83	—78	—18
May . .	10,95	11,33	19,29	14,38	12,45	14,63	18,70	20,01	25,25	19,[illegible]4	12,02	15,84	7,75	8,68	5,96	2,26	—43	71
June .	9,76	11,81	18,30	13,89	12,00	14,91	17,51	19,13	21,89	17,87	12,71	15,42	7,75	7,32	3,59	3,98	71	51
July . .	10,88	13,45	19,09	14,18	11,05	13,66	17,77	17,98	23,26	17,38	14,69	16,71	6,89	4,43	4,17	3,20	3,64	3,05
August .	12,05	13,03	21,21	13,35	10,91	13,89	15,90	17,56	23,16	15,27	14,08	16,40	3,85	4,53	1,95	1,92	3,17	2,51
September	12,92	12,11	20,49	13,71	10,79	11,29	16,27	17,02	23,62	17,11	15,67	15,61	3,35	4,91	3,13	3,40	4,88	4,32
October .	13,79	13,20	23,04	14,54	12,96	10,33	18,00	18,92	23,12	19,23	14,66	14,75	4,21	5,72	8	1,69	1,70	4,42
November.	13,74	13,33	23,48	15,82	13,38	12,51	17,71	18,21	25,21	15,14	15,[illegible]	17,53	3,97	4,88	1,73	—68	1,98	5,02
December	11,60	10,71	21,38	14,35	12,62	13,63	16,67	17,09	25,55	14,01	1[illegible],61	21,01	5,07	6,38	4,17	—34	1,99	7,38
January .	14,47	13,87	25,59	15,91	14,09	16,41	21,04	19,16	27,80	14,41	13,7[illegible]	24,41	6,57	5,29	2,27	—1,50	—36	8,00
February .	11,39	11,36	20,52	12,59	13,11	15,81	22,06	19,96	26,95	12,80	1[illegible],70	22,41	10,67	8,60	6,43	21	59	6,60
March .	12,53	11,83	21,50	15,34	15,54	14,76	22,65	21,95	30,31	14,79	15,[illegible]	20,23	10,12	10,12	8,89	—55	—21	5,47
Total.	145,85	147,80	254,05	173,79	152,33	165,27	224,12	224,11	300,96	189,21	169,21	213,05	[illegible],27	76,31	46,91	15,42	16,88	47,81

* See Note (2) on page 203

No. 4.—Value of trade in merchandise only with the British Empire and Foreign Countries

(In lakhs of Rupees)

Countries	Pre-war average *			War average*			Post-war average*			1937-38			1938-39			1939-40		
	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
British Empire—																		
United Kingdom	9[illegible],58	56,30	147,88	83,56	69,62	153,18	146,43	73,04	219,47	51,96	64,43	116,39	46,49	58,25	104,74	41,62	74,87	116,49
Burma	—	—	—	—	—	—	—	—	—	25,96	11,29	37,25	24,35	11,10	35,45	31,38	13,47	44,85
Egypt (a)	—	—	—	88	9,86	10,24	(b)85	(b)3,34	(b)4,19	—	—	—	—	—	—	—	—	—
Ceylon	72	8,24	8,96	1,66	9,63	11,29	1,71	12,32	14,03	1,66	5,60	7,26	1,18	5,36	6,54	1,46	6,74	8,20
Straits Settlements	3,08	7,73	10,81	4,37	6,23	10,60	4,85	8,20	13,05	3,74	2,65	6,39	4,13	2,17	6,30	4,82	2,74	7,56
Australia	1,01	3,14	4,15	1,11	5,03	6,14	3,19	4,99	8,18	1,66	3,14	4,80	2,41	2,98	5,39	2,39	5,50	7,89
Hongkong	98	9,26	10,24	1,30	4,48	5 78	1,86	,93	8,79	24	87	1 11	35	82	1,17	64	99	1,63
Canada	1	1,09	1,10	4	1,79	1,83	69	1,83	2,52	1,00	2,32	3,32	91	2,14	3,05	1,37	4,12	5,49
Aden and Dependencies.	41	1,25	1,66	77	2,15	2,92	[illegible]	2,79	3,59	59	1,25	1,84	24	1,11	1,35	55	99	1,54
Kenya Colony and Zanzibar and Pemba.	36	89	1,25	1.15	1,32	2,47	1,99	2,14	4,13	4,47	87	5,34	5,13	69	5,82	3,45	93	4,38
Other Countries of the British Empire	3,39	4,16	7,55	1,80	6,17	7,97	3,17	9,54	12,71	3,94	6,70	10,64	3,37	5.66	9,03	5,43	8,70	14,13
Total British Empire.	101,54	92,06	193,60	96,64	115,78	212,42	165,54	125,12	290,66	95,22	99,12	194,34	88,56	90,28	178.84	93,11	119,05	212,16

Note.—Exports include re-exports.
(a) Egypt included in British Empire from 1915-16 to 1922-23.
(b) Average for 4 years.
* See Note (2) on page 203.

No. 4—*continued*

(In lakhs of Rupees)

Countries	Pre-war average*			War average*			Post-war average*			1937-38			1938-39			1939-40		
	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
Foreign Countries—																		
United States of America.	4,49	16,90	21,39	10,29	26,75	37,04	21,64	36,26	57,90	12,88	18,73	31,61	9,78	14,29	24,07	14,88	27,18	42,06
Japan	3,64	16,86	20,50	14,42	25,20	40,61	17,48	40,31	57,79	22,19	18,51	40,70	15,41	14,82	30,23	19,29	14,16	33,45
France	2,21	14,82	17,03	1,85	19,02	11,87	2,37	14,37	16,74	1,57	5,29	6,86	1,40	6,23	7,63	1,44	8,14	9,58
Italy	1,45	7,98	9,43	1,72	8,77	10,50	2,47	9,63	12,10	2,57	5,45	8,02	2,69	2,64	5,33	2,05	2,08	4,13
Iran	63	1,22	1,85	86	3,60	4,46	1,76	3,88	5,64	2,74	79	3,53	3,49	85	4,34	3,10	95	4,05
China (exclusive of Hongkong and Macao)	1,58	8,74	10,32	1,93	4,56	6,49	3,14	10,98	14,12	98	1,99	2,97	1,73	2,50	4,23	2,61	8,51	11,12
Turkey, Asiatic	59	2,40	2,99	49	3,29	3,78	1	11	12	8	31	39	1	21	22	1	11	12
Java	9,35	2,91	12,26	11,56	2,55	14,11	17,18	3,18	20,36	37	1,02	1,39	51	75	1,26	3,37	1,44	4,81
Cuba	.	41	41	.	1,65	1,65	1	2,30	2,31	..	59	59	..	59	59	..	82	82
Argentine Republic	.	2,27	2,27		2,61	2,61	.	4,21	4,21	3	2,71	2,74	1	2,88	2,89	1	3,55	3,56
French Indo-China	1	67	68	1	1,51	1,52	2	1,80	1,82	5	64	69	14	68	82	2,60	1,28	3,88
Chile		87	87	1	1,42	1,43	1	1,04	1,05	..	24	24	..	20	20	4	29	33
Spain	17	1,91	2,18	36	1,60	1,96	30	2,80	3,10	16	13	29	11	22	33	9	75	84
Union of Socialist Soviet Republics	22	1,94	2,16	10	2,74	2,84	12		12	73	56	1,29	20	38	58	19	2	21
Netherlands	1,27	3,34	4,61	86	40	1,26	2,18	3,16	5,34	1,48	3,91	5,39	1,43	4,43	5,86	1,45	2,56	4,01
Belgium	2,76	11,97	14,73	38	1,10	1,48	4,64	11,25	15,89	3,27	6,00	9,27	2,92	4,48	7,40	2,55	3,21	5,76
Germany	9,35	22,36	31,71	1,04	2,04	3,08	7,16	14,86	22,02	15,31	10,53	25,84	12,93	8,70	21,63	6,69	2,98	9,67
Austria (a)	3,19	7,77	10,96	27	94	1,21	(c)42	(c)73	(c)1,15	78	7	85	47	3	50	10	..	10
Egypt (b)	26	1,90	2,16	—	—	—	(d)52	(d)2,98	(d)3,50	2,98	1,48	4,46	2,19	1,26	3,45	2,84	1,78	4,62
Other Countries	3,14	5,64	8,78	4,01	7,58	11,59	7,05	13,01	20,09	10,40	11,14	21,54	8,85	12,79	21,14	8,85	14,22	23,07
Total Foreign Countries.	44,31	132,06	176,37	51,16	108,33	159,49	88,51	176,86	265,37	78,57	90,09	168,66	63,77	78,93	142,70	72,16	94,03	166,19
GRAND TOTAL	145,85	224,12	369,97	147,80	224,11	371,91	254,05	301,98	556,03	173,79	189,21	362,99	152,33	169,21	321,54	165,27	213,08	378,35

NOTE.—Exports include re-exports.
(a) Figures prior to 1921-22 relate to Austria-Hungary.
(b) Egypt included in British Empire from 1915-16 to 1922-23.
* See Note (2) on page 203.

(c) Average for 3 years.
(d) One year's figure.

No. 5.—Percentage share of the principal countries in the total trade in merchandise only

Countries	Pre-war average*			War average*			Post-war average*			1937-38			1938-39			1939-40		
	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total
British Empire—																		
United Kingdom	62·8	25·1	40·0	56·5	31·1	41·2	57·6	24·2	39·5	29·9	34·0	32·1	30·5	34·3	32·5	25·2	35·1	30·8
Burma	—	—	—	—	—	—	—	—	—	14·9	6·0	10·3	16·0	6·6	11·0	19·0	6·3	11·5
Ceylon	0·5	3·7	2·4	1·1	4·3	3·0	0·7	4·8	2·5	1·0	3·0	2·0	0·8	3·2	2·0	0·9	3·1	2·2
Straits Settlements	2·1	3·4	2·9	3·0	2·7	2·8	1·9	2·7	2·3	2·2	1·4	1·8	2·7	1·3	2·0	2·9	1·3	2·0
Australia	0·7	1·4	1·1	0·8	2·2	1·7	1·3	1·7	1·5	1·0	1·7	1·3	1·0	1·8	1·7	1·4	2·6	2·1
Hongkong	0·7	4·1	2·7	0·9	2·0	1·6	0·7	2·3	1·6	0·1	0·5	0·3	0·2	0·5	0·4	0·4	0·5	0·4
Mauritius and Dependencies	1·8	0·6	1·1	1·1	0·6	0·8	2·2	3·1	2·7	..	0·3	0·3		0·5	0·8	..	0·4	0·2
Total (including other British Possessions)	69·7	41·1	52·3	65·4	51·7	57·1	65·2	41·4	52·3	54·8	52·4	53·5	58·1	5[illegible]	55·7	56·3	55·9	56·1
Foreign Countries—																		
Japan	2·5	7·5	5·5	10·4	11·2	10·9	6·9	13·3	10·4	12·8	9·8	11·2	10·1	8·8	9·4	11·7	6·6	8·8
United States of America	3·1	7·5	5·8	7·0	11·9	9·9	8·5	12·0	10·4	7·4	9·9	8·7	6·4	8·4	7·5	9·0	12·7	11·1
Java	6·4	1·3	3·3	7·8	1·1	3·8	2·8	1·0	2·7	0·2	0·5	0·4	0·3	0·4	0·4	2·0	0·7	1·3
France	1·5	6·6	4·6	1·3	4·5	3·2	0·9	4·8	3·0	0·9	2·8	1·9	0·9	3·7	2·4	0·3	3·7	2·5
Italy	1·0	3·2	2·3	1·2	3·9	2·8	1·0	3·2	2·[illegible]	1·5	2·9	2·2	1·8	1·5	1·7	1·2	1·0	1·1
China (exclusive of Hongkong and Macão).	1·1	3·9	2·8	1·3	2·0	1·7	1·[illegible]	3·6	2·5	0·6	1·1	0·8	1·1	1·5	1·3	1·6	4·0	2·9
Iran	0·4	0·5	0·5	0·[illegible]	1·6	1·2	0·7	1·5	1·0	1·6	0·4	1·0	2·3	0·5	1·3	1·9	0·4	1·1
Union of Socialist Soviet Republics.	0·1	0·9	0·6	0·1	1·2	0·8	0·1	.	0·1	0·4	0·3	0·4	0·1	0·2	0·2	0·1	..	..
Netherlands	0·9	1·5	1·3	0·6	0·2	0·3	0·9	1·5	0·9	0·9	2·1	1·5	0·9	2·2	1·6	0·9	1·2	1·1
Belgium	1·9	5·3	3·9	0·3	0·5	0·4	1·8	3·7	2·9	1·9	3·2	2·6	1·9	2·5	2·2	1·5	1·5	1·5
Germany	6·1	9·8	8·5	0·7	0·9	0·8	2·8	4·9	4·0	8·8	5·6	7·1	8·5	5·0	6·6	4·0	1·4	2·5
Austria (a)	2·2	3·5	2·9	0·2	0·4	0·3	0·2	0·2	0·2	0·4	..	0·2	0·3	..	0·2	0·1	..	..
Total (including other Foreign Countries)	0·2	58·9	47·7	34·6	48·3	42·9	34·8	58·6	47·7	45·2	47·6	46·5	41·9	46·4	44·3	43·7	44·1	43·9

(a) Figures prior to 1921-22 represent Austria-Hungary.
* See Note (2) on page 209

No. 6.—Value of Trade with principal Countries, distinguishing Principal Articles.

(In thousands of Rupees)

Articles	Pre-war average (a)	1937-38	1938-39	1939-40
UNITED KINGDOM.				
Imports therefrom—				
Animals, living	5,02	6,32	6,86	4,36
Apparel	59,29	17,89	13,97	10,60
Arms, ammunition, etc.	30,60	90,10	41,69	41,05
Artificial silk yarn	—	3,77	78*	69
,, ,, other manufactures	—	11,29	10,83	12,15
Asbestos	—	9,53	10,91	11,51
Belting for machinery	36,26	37,41	32,08	34,68
Bobbins	—	26,39	18,72	23,54
Books and printed matter	41,05	51,27	49,52	41,79
Boots and shoes	51,33	4,34	2,98	2,24
Building materials	59,89	18,49	17,39	14,68
Carriages and carts	19,11	5,57	5,10	4,53
Chemicals	60,55	1,78,63	1,72,74	2,35,17
China clay	-	12,76	14,70	19,08
Coal and coke	41,33	7,33	1,27	58
Cordage and rope	4,30	4 71	3 57	2,83
Cotton—				
Raw	58,67	1,52	9	9
Twist and yarn	3,35,18	77,64	49,45	31,64
Piecegoods—				
Grey	20,73,55	44,20	51 96	19,53
White	10,87,38	2,82,18	2 11,[illegible]2	1,88,59
Coloured, etc.	11,29,72	3,15,72	1 [illegible]5,70	1,53,54
Other manufactures	1,40,2[illegible]	65,57	57,[illegible]3	57,59
Cutlery	10,53	9,64	9 51	12,[illegible]2
Cycles and parts	29,10	87,95	76,42	57,02
Drugs and medicines	54,63	81,2[illegible]	81,43	1,04,[illegible]
Dyeing and tanning substances	6,90	3,86	53,95	50,45
Earthenware and porcelain	30 50	16,04	13,66	14,55
Flax manufactures	28,83	22,24	16,76	13,83
Furniture	10,84	7,6[illegible]	5,68	5,[illegible]6
Glass and glassware	22,26	11 22	10 06	10,20
Haberdashery and millinery	61,21	9,62	7,78	7 28
Hardware	1,88,61	1,13,06	97,65	85,83
Instruments, apparatus, etc.	1,04,88	2,89,85	2,9[illegible],59	2,64,25
Ivory	11,33	16	54	15
Jewellery, etc.	14,51	4,17	3,94	3,[illegible]
Jute manufactures (including yarn)	10,00	65	16	37
Leather, including hides, tanned, etc.	38,59	32,47	28,9[illegible]	34,90
Liquors—				
Ale, beer and porter	45,[illegible]4	43,0[illegible]	41,67	42,87
Spirit	69,47	88,40	81,23	98,47
Wines	13,62	6 74	5,96	7,84
Machinery and millwork	4,97,69	10,89,94	11,20,96	8,92 55
Manures	1,68	51,43	70,19	60,45
Metals				
Aluminium	5,[illegible]8	19,75	16,83	8,42
Brass	6 13	30,80	41,42	36,84
Copper	1,67,45	47,04	13,41	24,01
Iron	28,88	3,01	4,04	1,92
Iron or steel	6,96,13	3,53,85	3,19,57	2,41,9[illegible]
Lead	13,99	6,85	4,88	4,73
Steel	42,02	66 1[illegible]	49,13	34,71
Zinc	14,85	2,95	5,22	7,68
Others	27,43	17,31	18,32	15,96
Motor vehicles and parts thereof	74,50	2,15,81	1,59,37	1,54,89
Oils, mineral	22,31	34,17	34 89	19,81
,, vegetable, animal, etc.	17,76	11,69	11,94	10,9[illegible]
Packing-engine and boiler	4,98	3,80	3,82	4,29
Paints and painters' materials	56,00	61,26	55,1[illegible]	62,72
Paper and pasteboard	73,44	1,03,54	89,28	76,92
Pitch and tar	8,72	1,24	1,41	2,02
Polishes	9,48	21,89	21,18	22,66
Precious stones	14	4,66	5,48	5,54
Printing materials	14,70	21,63	17,54	22,40
Provisions	1,34,15	1,49,53	1,36,99	1,36,35
Railway plant, etc.	5,54,48	—	—	— a
Rubber manufactures, including tyres, etc.	16,45	1,17,22	89,50	47,33
Salt	23,44	84	1,95	1,89
Ships, parts of	18,00	6,34	5,58	83
Silk manufactures, including yarn	19,07	2,11	1,19	97
Soap	56,52	16,75	14,83	15,94
Stationery	41,44	35,63	30,53	32,97

* Exclusive of figures of Artificial Silk yarn mixed with other materials, etc.

(a) See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average (a)	1937-38	1938-39	1939-40
UNITED KINGDOM—*contd.*				
Imports therefrom—*contd.*				
Sugar	25,37	1,11	5,96	19,25
Tallow and stearine	10,43	2,56	1,65	1 76
Tea-chests	41,32	48,03	65,17	62,33
Tobacco	51,83	36,98	5[illegible],91	54,53
Toilet requisites	10,35	26 25	26,53	27,08
Toys and requisites for games	16,75	10,79	9,75	9,32
Umbrellas, etc.	24,74	2,46	2 77	1,16
Woollen manufactures, including yarn	1,85,24	1,04,62	66,68	45,73
Other articles	1,50,99	3,33,07	2,92,21	2,69,65
TOTAL	91,58,01	51,95,75	46,48,91	41 61,87
Exports of Indian produce—				
Barley	1,06,54	18,62	6,87	4
Bristles	12,74	30 77	24,10	35,10
Coffee	50,86	15,54	35,11	24,09
Coir manufactures	22,95	16 54	34,93	67 37
Cotton, raw	1,72,39	4,27,57	3,54,78	5,23,70
,, waste	74	20,87	26,15	47,73
,, twist and yarn	2,81	5,65	1 40	16,52
,, manufactures	11,13	20,67	5,13	23,12
Drugs, medicines, etc.	5,47	[illegible],72	3,44	3 42
Dyeing and tanning substances—				
Cutch and gambier	6,87	18	19	28
Indigo	6,52	17		..
Myrobalans	23,46	1[illegible],59	1[illegible],47	24 00
Fodder, Bran and Pollards	45,19	4,36	3,54	..
Hemp, raw (chiefly sann)	18,17	20,20	18,20	43,34
Hides and skins—				
Raw	56,46	1,[illegible],16	60,86	1,00,30
Dressed or tanned	3,67 93	5,[illegible]04	4,15,16	6 62 97
Horn, tips and pieces of horn*	5,73	90	88	66
Jute, raw	8,96 52	2 80,69	[illegible],56,76	7,33,81
,, gunny bags	79,25	1,11,02	1 10,4[illegible]	7 97 42
,, ,, cloth	55,57	1,59 86	1,5[illegible],1[illegible]	4,06,55
Lac	56,67	33,83	[illegible],25	21 90
Manures	10,89	10,3[illegible]	6,71	10 40
Metals and ores—				
Lead	17,65	1	1	..
Manganese ore	30,66	[illegible],81	25,97	6[illegible] 37
Other metals and ores	7,13	1,12,75	62,02	1,19,54
Mica	20 86	69,95	40,56	67,96
Oils	18,34	30,27	22,95	25,96
Oilcakes	30 75	1 [illegible],77	1,57,11	1,15 89
Paraffin wax	17,38	[illegible],61	21,[illegible]2	26,70
Provisions and oilman's stores	5 62	5,[illegible]	5,17	7,04
Pulse—				
Beans	86,21	..		..
Gram		1 54	2,62	1
Lentils		8,75	[illegible]	24,14
Other pulses		6,76	6,76	7,12
Rice (not in the husk)	1,56 99	[illegible],61	6,[illegible]	8 77
Rubber, raw	23 28	[illegible]76	0,[illegible]	28,65
Saltpetre	6,55	[illegible]35	2,86	6,51
Seeds—				
Castor	78,39	18,65	1,74	21 24
Cotton	1,74,92	2,38		.
Groundnuts	2 96	1,39 42	1,17,12	1,[illegible]0 63
Linseed	2,65,01	[illegible],73,95	[illegible],74 65	2,42,46
Rape	35,17	[illegible],89	[illegible],45	23,34
Others	11 38	1,07	1,80	3.72
Silk, raw	5,93	1 22	69	3,20
Spices	10,68	1 27	[illegible],10	6 05
Sugar	8,59	9,10	6 04	1,72
Tea	9,51,37	21,[illegible],08	2 ,36,48	21,10 63
Tobacco	1,48	76,65	1,55,76	67,69
Wheat	10,50,94	2 91 39	1 [illegible]2,06	..
Wood (mainly teak)	53,71	1,55	69	21
Wool, raw	2,61,11	2 09,16	2,[illegible]0,84	1,50,80
,, manufactures	18,71	76,30	61,34	44,59
Other articles	1,18,62	3,20,06	2,71,42	2,92,55
TOTAL	55 04,99	60,20,78	55,51 13	71,09,21

* Figures prior to 1924-25 represent Hornmeal.

(a) See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
UNITED KINGDOM—*concld.*				
Exports of Foreign merchandise—				
Apparel (excluding boots and shoes)	5,66	4,12	5,35	2,98
Skins, raw	..	3,62,28	2,16,96	2,38,50
Sugar, 23 D. S. and above	32,56	..	..	.
Wool, raw	37,55	1,01	48	2,90
„ manufactures	54	4 48	5,28	7,64
Other articles	48,21	41,52	46,20	35,43
TOTAL	1,24,52	4,13,41	2,74,27	2,87,45
UNION OF SOCIALIST SOVIET REPUBLICS.				
Imports therefrom—				
Mineral oils	19,86	69,20	9,63	1
Tea-chests	.	38	8	
Other articles	2,42	2,95	10,33	19,21
TOTAL	22,28	72,53	20 04	19,22
Exports of Indian produce—				
Cotton raw	3,35	.		..
Jute, raw	25,03	50,50	3[illegible],61	1,48
„ manufactures	1,43	6		..
Rice (not in the husk)	4 98	..	..	..
Tea	1 41,97	5 82	50	17
Other articles	13,72	3	1,60	45
TOTAL	1 90 48	56,41	37 71	2,10
Exports of Foreign merchandise—				
Miscellaneous articles	3 58	..	.	..
SWEDEN.				
Imports therefrom—				
Hardware	2,57	17,94	1[illegible],4	[illegible],28
Iron and steel	9 53	15,35	14,00	14 18
Machinery and millwork	.	27,36	44 [illegible]4	2[illegible],21
Matches	28,08	12	1[illegible]	28
Paper and pasteboard	3 99	56,25	38,89	62,81
Paper-making materials	4,21	8,02	8,85	8,52
Wood and timber	.	4,06	3 22	4,56
Other articles	2,93	11,54	10,17	1[illegible],35
TOTAL	51 31	1,40,64	1,[illegible]6 14	48,49
Exports of Indian and Foreign produce—				
Cotton, raw	7,67	3,60	2,90	1,67
Hides, raw		4,68	4,34	[illegible]
Rice (not in the husk)	12,00	..	11	13
Wheat	8,66	.	.	
Other articles	4,23	41,30	49,13	64 76
TOTAL	32,56	49,67	6,78	69,81

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
NORWAY.				
Imports therefrom—				
Carbide of calcium	68	51	67	1,52
Hardware	64	52	29	17
Iron or steel—nails, rivets and washers	2,50	4,61	1,72	6,17
Matches	9,34	..	..	..
Milk, condensed and preserved	41	13	11	16
Paper and pasteboard	4,49	38,33	37,50	55,87
Pulp of wood for making paper	31	1,90	4,67	6,89
Toys, etc.	..	51	19	27
Wood and timber	1,85	2,19	72	2,10
Other articles	63	4,65	5,76	11,59
TOTAL	20,85	53,35	51,63	84,83
Exports of Indian produce—				
Coffee	3	10,69	8,25	15,50
Cotton, raw	55	..	2	4
Hides and skins, raw	20	4,10	3,47	3,49
Jute, raw	..	1,80	2,01	6,68
,, manufactures	92	12,06	20,46	21,23
Rice (not in the husk)	94	..	..	26
Seeds	..	3,87	11,81	14,79
Other articles	1,61	8,61	9,37	25,32
TOTAL	4,25	41,13	55,30	87,31
Exports of Foreign Merchandise—				
Miscellaneous articles	28	16	15	6
GERMANY.				
Imports therefrom—				
Apparel	14,87	6,44	5,51	1,59
Bobbins	..	3,32	4,83	1,85
Building materials	6,72	1,36	2,17	1,14
Buttons	..	4,30	4,77	2,85
Carriages	2,81	3,70	1,37	46
Chemicals	10,62	49,00	39,79	22,10
Clocks and watches	1,36	5,68	4,42	1,66
Cutlery	7,95	17,16	14,27	6,42
Cycles	1,75	10,31	8,43	5,03
Drugs and medicines	6,19	75,03	65,14	34,60
Dyeing and tanning substances	87,40	2,53,74	1,72,37	1,14,79
Glass and glassware	23,69	20,76	16,90	12 81
Hardware	57,24	1,13,19	74,61	47,99
Instruments	13,57	1,02,34	1,02,58	48,26
Leather	76	6,65	4,88	1,84
Liquors	19,41	15,97	15,33	7,27
Machinery	30,27	2,57,72	3,06,97	1,37,65
Manures	2,20	2,04	97	1,09
Metals—				
Aluminium	12,16	12,91	9,97	3,84
Brass	1,56	40,75	57,80	27,07
Copper	93,41	37,58	13,42	12,40
Iron	2,86	3	30	..
Iron or steel	86,97	98,04	71,96	39,58
Steel	65,19	5,10	5,09	2,84
Zinc	3,24	10,65	3,35	3,24
Motor vehicles and parts thereof	5,64	50,50	34,78	10,19
Oils	19,57	19,78	7,58	4,38
Paints and painters' materials	5,58	11,18	9,05	5,40
Paper and pasteboard	21,82	85,64	63,49	40,50
Paper-making materials	1,61	..	24	..
Printing materials	1,02	9,85	11,78	4,37
Provisions	5,50	1,60	1,67	53
Railway plant	12,19	—	—	—
Rubber manufactures	3,82	25,00	27,08	10,69
Salt	9,46	6,58	4,73	1,09

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
GERMANY—*contd.*				
Imports therefrom—*contd.*				
Stationery	5,04	18,24	14,62	7,11
Textiles—				
Artificial silk	—	4,69	3,77	1,90
Cotton manufactures	83,71	4,58	3,77	1,71
Haberdashery	22,10	6,84	4,38	2,20
Silk manufactures	16,81	3,04	1,71	52
Wool manufactures	90,62	20,26	8,71	1,67
Toilet requisites	2,93	3,62	4,07	1,77
Toys and requisites for games	11,10	3,06	3,04	1,30
Umbrellas, etc.	7,66	6,27	3,62	2,65
Other articles	57,18	96,04	78,04	32,32
TOTAL	9,35,56	15,30,54	12,92,73	6,68,67
Exports of Indian produce—				
Barley	40,09	..	..	..
Coffee	4,72	59	43	6
Coir manufactures	22,66	15,76	14,08	4,60
Cotton, raw	4,45,06	1,69,04	1,61,05	44,96
,, waste	..	31,14	21,60	7,79
Dyeing substances	14,49	8,69	4,65	38
Fodder, bran, etc.	22,84	..	..	..
Fruits and vegetables	2,87	30	34	12
Hemp, raw	8,48	8,55	4,66	2,10
Hides and skins, raw	2,53,97	50,28	39,67	12,17
Jute, raw	4,90,40	2,86,22	2,54,[illegible]5	90,73
,, gunny bags	15,38	4,07	4,48	1,32
,, ,, cloth	6,83	3	50	49
Lac	37,67	20,57	12,29	5,45
Manures	8,30	1,20	43	2
Metals and ores—				
Copper	4	19	..	..
Others	8,99	8,03	13,79	63
Oils	12,29	5,73	3,05	1,95
Oilcakes	17,58	39,68	54,26	11,64
Paraffin wax	3,89	1,81	2,64	70
Rice (not in the husk)	3,41,37	9	6	..
Seeds—				
Copra or coconut kernel	30,25	..	..	..
Groundnuts	12,12	1,57,96	1,33,51	67,26
Linseed	70,14	11,60	14,60	8,56
Mowa or Mowra	29,01	..	..	..
Poppy	8,43	..	..	..
Rape	1,04,92	42	42	..
Sesamum (til or jinjili)	24,92	1	54	..
Others	27,84	50	1,65	3
Tea	3,09	6,40	10,14	5,90
Wood	15,06	60	29	24
Other articles	96,35	2,12,26	1,02,01	21,88
TOTAL	22,30,35	10,42,02	8,55,49	2,58,98
Exports of Foreign merchandise—				
Miscellaneous articles	5,98	10,55	14,69	9,31
NETHERLANDS.				
Imports therefrom—				
Artificial silk	—	18	53	2,17
Building materials	6	17	31	10
Cotton manufactures	94,59	8,14	6,93	4,67
Dyeing and tanning substances	30	2,80	2,39	4,45
Instruments	9	22,76	14,55	20,59
Liquors	1,54	14,19	13,52	8,68
Machinery	24	7,44	17,00	12,35
Metals	44	2,32	3,62	2,95
Paper and pasteboard	2,81	17,67	15,06	15,97
Precious stones, etc.	..	6,50	7,15	2,74
Provisions	8,65	19,49	18,70	21,27
Starch and farina	26	12,86	10,86	12,74
Sugar	10	88	1,68	2,02
Wool manufactures	3,20	15	8	3
Other articles	14,33	32,60	30,47	34,49
TOTAL	1,26,61	1,48,15	1,42,85	1,45,22

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
NETHERLANDS—*contd.*				
Exports of Indian produce—				
Coir manufactures	7,31	9,56	8,41	11,63
Cotton, raw	7,83	44,86	38,77	22,27
Hides and skins, raw	33,50	15,82	9,15	2,58
Jute, raw	1,53	37,09	24,51	22,11
Lac	6,06	5,38	4,35	2,88
Oilcakes	14	10 29	17,89	3,15
Paraffin wax	6	10	88	4
Rice (not in the husk)	2,15,93	5,74	3,29	1,52
Seeds—				
Groundnuts	26	2,11,05	2,75,74	1,57,80
Linseed	20,98	79	67	1,72
Rape	4,99	3,74	3,54	62
Wheat	2,02	..	..	..
Other articles	33,41	43,19	53,97	27,69
Total	3,34,02	3,87,56	4,41,17	2,54,01
Exports of Foreign merchandise—				
Miscellaneous articles	21	3,08	2,44	2,09
BELGIUM.				
Imports therefrom—				
Arms	26	84	1,26	2,53
Artificial silk	—	83	13	8
Building materials	4,04	1,39	1,87	1,42
Cotton manufactures	42,12	2,48	2,16	1,70
Dyeing and tanning substances	10,82	55	27	85
Earthenware and porcelain	3,45	16	18	6
Glass and glassware	10,92	13,74	10,23	8,23
Hardware	5,58	2,79	2,55	2,96
Liquors	1,50	64	32	18
Machinery and millwork	1,76	26,19	39,09	25,57
Manures	75	6,88	15,2[illegible]	25,46
Metals—				
Brass	37	65	1,59	49
Copper	3,54	2,80	1,34	1,25
Iron	15,95	17	55	4
Iron or steel	45,46	74,10	52,62	47,29
Steel	63,54	23,85	7,95	10,55
Motor vehicles and parts thereof	4,15	1	9	7
Paints and painters' materials	2,08	2,46	2,01	4,07
Paper and pasteboard	5,00	4,65	4,74	4,14
Precious stones	1	95,34	90,91	56,99
Provisions	1,41	2,65	3,24	2,38
Railway plant	4,28	—	—	—
Sugar	29	8	11	5
Woollen manufactures	2,11	56	43	20
Other articles	40,61	62,89	52,43	58,37
Total	2,76,00	3,26,70	2,91,90	2,54,88
Exports of Indian produce—				
Barley	34,65	..	..	..
Cotton, raw	3,68,24	2,10,09	1,24,26	62,29
,, waste	.	2,45	4,38	1,59
Dyeing and tanning substances	7,76	2,30	1,94	75
Hemp, raw	13,73	21,57	22 37	14,39
Hides and skins, raw	10,00	5,13	4,75	2,14
Jute manufactures	13,69	25,96	20,12	19,15
,, raw	14,42	1,05,25	95,59	97,69
Lac	1,43	1,06	97	70
Lead		15	3	1
Manganese ore	25,84	22,66	3,31	7,29
Manures	19,88	33,13	10,65	12,38
Oilcakes	76	17,71	22,31	5,28
Paraffin wax	1,43	1,08	32	5
Rice (not in the husk)	41,51	6	19	..
Seeds—				
Castor	20,16	1,96	..	1,10
Copra or coconut kernel	7,14	..	..	..
Groundnuts	26,78	58,19	77,70	63,01
Linseed	1,55,71	3,05	78	..
Mowa or Mowra	7,97	..	..	..
Poppy	16,11	..	.	..
Rape	1,51,62	4,52	1,59	5
Sesamum (til or jinjili)	56,40	..	..	..
Others	2,29	1,44	1,62	89

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average (a)	1937-38	1938-39	1939-40
BELGIUM—*contd.*				
Exports of Indian produce—*contd.*				
Wheat	1,46,22	13,41	6,91	..
Zinc or spelter	53	18	16	11
Other articles	49,93	66,06	45,07	30,85
TOTAL	11,94,20	5,97,41	4,44,62	3,19,72
Exports of Foreign merchandise—				
Miscellaneous articles	2,61	2,88	3,04	1,16
FRANCE.				
Imports therefrom—				
Apparel	40,03	1,44	1,05	1,05
Artificial silk	—	1,46	1,18	1,96
Chemicals	47	6 94	8,73	6,60
Clocks and watches	4,65	95	49	42
Cotton manufactures	2,88	4,28	2,57	2,82
Drugs and medicines	2,65	9,16	7,72	8,34
Dyeing and tanning substances	6,02	8,93	8,78	10,67
Fruits and vegetables	8,96	1,76	1,20	38
Hardware	2,18	2,71	2,25	1,65
Haberdashery	8,25	60	76	44
Instruments	4,20	3,16	2,40	2,73
Liquors	38,04	29,55	23,84	19,71
Machinery	31	3,77	4,44	7,03
Metals—				
Brass	16	5	33	29
Copper	12,93	1,12	2	3,10
Iron or steel	2,84	6,91	17,03	17,95
Steel	20	13,24	78	2,34
Motor vehicles and parts thereof	5,94	3,11	2,10	2,35
Oils	82	3,42	2 63	3,11
Provisions	3,07	2,50	3,14	1,75
Rubber manufactures	1,78	27	22	4,00
Seeds	51	4	3	75
Sugar	43	..	..	..
Silk manufactures	27,18	1,27	1,05	1,45
Toilet requisites	68	1,90	1,20	78
Woollen manufactures	12,64	11	1,71	41
Umbrellas, etc.	81	16	8	9
Other articles	31,87	48,38	44,41	41,04
TOTAL	2,20,50	1,57,49	1,40,14	1,44,11
Exports of Indian produce—				
Coffee	50,64	15,73	11,98	10,22
Coir	6,01	5,99	3,75	4,39
Cotton, raw	1,51,39	94,35	1,44,98	2,03,36
Dyeing and tanning substances	5,22	3,21	2,84	3,25
Essential oils	4,19	1,44	60	1,94
Hides and skins, raw	33,66	19,51	22,47	22,09
Horns, tips and pieces of horn*	9,27	30	5	..
Jute, raw	2,25,21	1,35,18	1,50,47	2,86,05
,, bags and cloth	2,56	2,10	1,83	11,03
Lac	11,55	3,21	2,56	3,62
Manganese ore	17,24	42,62	18,47	14,93
Manures	10,47	1,56	3,50	86
Pulse—				
Gram	29,82	12,25	5,95	35
Lentils		9	..	..
Other pulses		..	..	..
Rice (not in the husk)	13,80	35	6	..
Seeds—				
Castor	23,18	7,37	34	3,21
Groundnuts	2,81,66	1,02,96	1,77,56	1,26,75
Linseed	1,55,94	9,89	11,83	3,68
Mowa or mowra	4,16	..	.	..
Poppy	43,87	..	..	..
Rape	98,17	4,53	4,64	5,20
Sesamum (til or jinjili)	85,36	5	61	5
Others	21,25	2,93	3,32	6,70

* Figures prior to 1924-25 represent Hornmeal

(a) See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
FRANCE—*contd.*				
Exports of Indian produce—*contd.*				
Silk raw	35,23	31	99	73
Wheat	1,12,55	..	..	..
Other articles	46,84	61,67	50,31	42,59
TOTAL	14,77,26	5,25,25	6,19,18	8,11,12
Exports of Foreign merchandise—				
Miscellaneous articles	4,68	3,74	4,05	3,40
ITALY.				
Imports therefrom—				
Apparel	6,98	58	49	39
Art, works of	45	45	1,12	33
Building materials	2,57	3,44	2,95	1,98
Buttons	..	1,90	1,38	1,51
Chemicals	4,72	19,63	15,51	14,49
Dyeing and tanning substances	1,49	2,26	2,65	6,54
Fruits and vegetables	8,48	24,91	26,35	6,85
Glass and glassware	4,26	3,79	3,40	2,70
Instruments	1,70	9,32	8,34	9,45
Liquors	78	1,00	98	1,06
Machinery	1,44	15,36	24,16	18,87
Metals—				
Aluminium	9	1,62	1,99	1,23
Brass	1,09	4	1	12
German silver	.	1,49	2,78	38
Quicksilver		4,41	5,46	5,57
Others	67	6,29	9,85	8,42
Motor vehicles and parts	66	4,70	5,10	5,02
Paper and pasteboard	79	5,19	3,44	5,77
Rubber manufactures	13	32	76	58
Stone and marble	2,48	7,34	6,72	7,46
Sugar	23	..	..	.
Textiles—				
Artificial silk yarn	—	18,94	53,18	52,10
Cotton, raw	11	..	..	..
,, twist and yarn	4,98	6	5	6
,, manufactures	45,22	7,52	5,26	5,22
Haberdashery and millinery	4,32	6,32	11,07	6,11
Silk manufactures	19,83	6,82	5,03	2,59
Goods of artificial silk mixed with other materials.	—	1,58	89	85
Woollen manufactures	4,07	58,09	46,01	17,81
Other articles	27,30	43,50	25,99	21,25
TOTAL	1,44,84	2,56,82	2,68,51	2,04,66
Exports of Indian produce—				
Cotton, raw	3,18,38	1,56,12	60,40	44,44
Hides and skins, raw	85,98	8,91	12,54	10,68
Jute, raw	1,14,89	1,51,57	91,69	1,00,67
Spices, pepper	6,81	31	12	4
Rice (not in the husk)	2,97	..	..	..
Seeds—				
Castor	16,05	11,22	..	98
Groundnuts	1,71	1,66,79	41,04	26,44
Linseed	54,86	2,32	1,16	47
Rape	11,40	7,83	65	..
Sesamum (til or jinjili)	27,30	70	91	..
Others	1,49	..	..	1
Silk, raw	1,25	1,22	30	7
Wheat	37,14	.	6,76	..
Other articles	21,38	36,49	37,43	18,46
TOTAL	7,01,61	5,43,48	2,62,00	2,02,26
Exports of Foreign merchandise—				
Miscellaneous articles	6,03	1,72	1,94	5,70

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
ADEN.				
Imports therefrom—				
Cotton manufactures	32	20	2	6
Salt	12,94	48,27	18,54	46,97
Other articles	28 10	10,24	5,63	7,63
TOTAL	41,45	58,71	24,19	54,66
Exports of Indian produce—				
Cotton, twist and yarn	9,88	7,98	4,98	6,61
,, manufactures	18,38	9,40	8,28	7,03
Grain, pulse and flour—				
Jowar and bajra	10,77	3,21	14,65	61
Rice (not in the husk)	24,86	13,22	15,51	13,34
Wheat flour	12,25	10,00	9,35	7,00
Spices	4,79	4,77	6,57	5,69
Tobacco	9,89	17,73	9,23	10,40
Other articles	16,01	28,79	24,17	26,86
TOTAL	1,06,33	95,10	92,74	77,54
Exports of Foreign merchandise—				
Cotton manufactures	13,07	4,67	3,41	1,93
Other articles	5,73	25,44	14,60	19,17
TOTAL	18,80	30,11	18,01	21,10
IRAQ (a).				
Imports therefrom—				
Dyeing and tanning substances	—	84	56	1,42
Fruits and vegetables	—	38,57	31,05	40,20
Grain, pulse and flour	—	6,84	7,89	15,99
Hardware	—	46	19	19
Hides and skins, raw	—	2,02	1,88	84
Metals Brass	—	3	..	..
Seeds		3	8	..
Wool, raw	—	1,44	18	44
,, manufactures	—	4	5	8
Other articles	—	2,16	4,71	8,91
TOTAL	—	52,43	46,00	68,07
Exports of Indian produce—				
Coffee	—	3,66	2,97	4,40
Cotton manufactures	—	17,79	13,26	8,44
Grain, pulse and flour—				
Rice (not in the husk)	—	4	3	5
Wheat flour	—	2	2	..
Others	—	41	31	41
Indigo	—	3	3	1
Jute manufactures	—	9,13	4,73	11,64
Tea	—	34	1,64	1,47
Other articles	—	29,92	27,60	33,23
TOTAL	—	61,34	50,59	59,65

(a) Included in "Turkey in Asia" prior to 1921-22.

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
IRAQ (*a*)—*contd.*				
Exports of Foreign merchandise—				
Cotton manufactures	–	1,09	1,91	5,23
Provisions and oilman's stores	–	3	3	8
Rubber manufactures		1	1	1
Sugar	–	2	3	33
Other articles	–	13,73	14,58	23,72
TOTAL	–	14,88	16,56	29 37
MASKAT TERRITORY AND TRUCIAL OMAN.				
Imports therefrom—				
Fruits and vegetables	18,84	12,39	9,28	9,07
Precious stones, etc.	18,72	4,45	3,98	4,61
Other articles	9,19	7,07	7,28	9,97
TOTAL	46,75	23 91	20,54	24,55
Exports of Indian produce—				
Cotton manufactures	5,28	8,68	5,53	5,91
Grain, pulse and flour –				
Jowar and bajra	2 20	3	17	10
Rice (not in the husk)	30,01	19,98	22 77	24,20
Other articles	11 48	7,93	9 39	7,51
TOTAL	48 97	36,32	37,86	35,72
Exports of Foreign merchandise—				
Cotton manufactures	21,23	3,01	2,00	1,22
Other articles	10,93	9,28	6,73	4,73
TOTAL	32 16	12,29	8,73	5,95
ARABIA, OTHER STATES.				
Imports therefrom –				
Miscellaneous articles	3,51	10,19	6,42	9,89
Exports of Indian produce—				
Cotton manufactures	2,83	8,35	6,16	7,21
Grain, pulse and flour	21,74	24,46	40,29	29,44
Tea	95	2,70	1,99	6,51
Other articles	10,91	11,75	16,35	20,03
TOTAL	36,43	47,26	64,79	73,19
Exports of Foreign merchandise—				
Miscellaneous articles	13 84	16,78	10 90	20,61
BAHREIN ISLANDS.				
Imports therefrom –				
Precious stones, etc.	50,47	4,51	2 52	2,79
Other articles	2 52	21,86	79 37	1,99,47
TOTAL	52,99	26,37	81,89	2 02,26

(*a*) Included in "Turkey in Asia" prior to 1921-22.

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
BAHREIN ISLANDS—*contd.*				
Exports of Indian produce—				
Cotton manufactures	4,48	9,12	5,82	6,64
Rice (not in the husk)	25,42	9,99	8,80	11,57
Other articles	12,34	11,92	12,92	18,89
TOTAL	42,24	31,03	27,54	37,10
Exports of Foreign merchandise—				
Cotton manufactures	18,18	2,69	1,23	93
Other articles	9,07	12,17	7,02	14,72
TOTAL	27,25	14,86	8,25	15,65
IRAN.				
Imports therefrom—				
Fruits and vegetables; dried, salted, etc.	18,68	3,56	4,13	4,67
Gums and resins	3,74	1,74	1,69	1,52
Oils, mineral	4,09	2,61,51	3,35,55	2,86,96
Precious stones, etc.	8,23	..	..	..
Wool, raw	9,81	..	..	46
Other articles	18,94	7,11	7,47	16,44
TOTAL	63,49	2,73,92	3,48,84	3,10,05
Exports of Indian produce—				
Cotton, twist and yarn	13,05	6	.	1
" manufactures	13,73	11,61	2,72	26
Grain, pulse and flour—				
Rice (not in the husk)	1,85	21	31	37
Others	3,33	..	2	1
Tea, black	1,67	43,60	46,84	57,88
Other articles	13,50	18,98	28,48	20,92
TOTAL	55,13	74,46	78,37	79,45
Exports of Foreign merchandise—				
Cotton, twist and yarn	5,82	..	..	..
" manufactures	37,80	2	22	99
Metals and ores	3,68	88	1,88	2,55
Sugar	5,65	..	..	5,33
Other articles	13,81	3,37	4,67	6,06
TOTAL	66,76	4,27	6,77	14,93
CEYLON.				
Imports therefrom—				
Grain, pulse and flour	12	24	7	37
Hides and skins, raw	3,43	3,84	3,38	4,06
Jute, gunny bags	7,62	4,19	5,09	5,35
Machinery	1,36	2,53	2,93	3,18
Metals	1,41	86	1,18	1,70
Oils	45	33,05	15,47	31,33
Rubber	10	4,60	23	56
Seeds	91	87,71	60,83	67,89
Spices	29,91	9,32	9,01	10,59
Tea	7,10	2,86	2,27	2,08
Other articles	20,12	17,22	17,06	19,12
TOTAL	72,53	1,66,42	1,17,52	1,46,44
Exports of Indian produce—				
Animals, living	18,40	7,00	6,06	6,45
Coal and coke	43,39	36,00	26,26	42,11
Coffee	5,76	11	11	9
Cotton manufactures	36,03	93,18	68,56	69,53

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
CEYLON—*contd.*				
Exports of Indian produce—*contd.*				
Fish (excluding canned fish)	24,39	37,51	35,47	36,29
Fodder, bran, etc.	1,78	3,89	4,08	4,06
Fruits and vegetables	13,55	21,64	23,13	29,04
Grain, pulse and flour—				
Rice (not in the husk)	4,26,72	1,06,17	1,17,20	1,10,66
Other sorts	48,80	31,44	31,43	31,62
Jute manufactures	5,41	4,21	3,65	5,79
Manures	10,87	16,87	13,98	19,86
Oilcakes	38,54	18,95	18,35	28,06
Provisions and oilman's stores	5,45	2,21	2,53	3,12
Rubber, raw	14,15	8,51	8,18	16,74
Seeds	12,21	12,56	9,45	7,51
Spices	15,31	25,20	19,34	30,07
Tea	26,90	23,03	23,20	64,08
Wood and timber	2,32	11	9	12
Other articles	52,37	79,67	94,95	1,31,03
TOTAL	3,02,35	5,28,26	5,09,11	6 37 13
Exports of Foreign merchandise—				
Cotton manufactures	8,26	1,85	6,67	6,42
Vehicles	—	11,25	4,88	4,87
Other articles	13,82	18,13	15,41	25,96
TOTAL	22,08	31,23	26,96	37,25
BURMA.				
Imports therefrom—				
Candles of all kinds	—	9,03	8,25	8,65
Cutch and gambier	—	5 49	6 68	6,68
Fruits and vegetables	—	21,16	19,51	30,70
Grain, pulse and flour—				
Grain	—	6,07	5,43	18,71
Pulse	—	36,31	32,65	51,68
Rice (in the husk)	—	19,59	33,47	25,54
,, (not in the husk)	—	10,97,85	11,36,43	16,66,16
Hides and skins, raw	—	6,47	3,63	9,22
Lac	—	2,60	1,23	5,15
Matches	—	20,03	23,21	24,13
Metals and ores—				
Lead	—	20,61	14,35	34,95
Tin	—	3,94	6,11	9,52
Oils—				
Kerosene	—	5,53,34	4,22,60	4,40,58
Lubricating	—	95,33	94,79	1,08,68
Petroleum, etc.	—	3,42,58	2,33,39	2,62,60
Rubber, raw	—	15,68	10,21	18,88
Spices	-	3,43	13,52	4,53
Teak wood	—	2,06,44	1,09,54	1,95,33
Other articles	—	1,44,93	1,69,88	2,20,32
TOTAL	—	25,96,51	24,34,91	31,38,01
Exports of Indian produce—				
Boots and shoes	—	7,98	6,36	9,39
Coal and coke	—	52,53	62,26	48,42
Coffee	—	2,02	1,58	1,23
Coir manufactures	—	6,81	5,67	3,65
Drugs and Medicines, etc.	—	4,22	4,08	5,69
Fish, dry, unsalted	—	24,04	26,44	25,28
Fruits and vegetables	—	26,06	31,36	31,78
Grain pulse and flour—				
Pulse	—	7,67	7,36	5,43
Wheat	—	5,43	4,83	4,12
Wheat flour	—	39,98	32,61	31,18
Hardware, etc.	—	8,34	8,42	9,66
Metals—				
Brass, bronze, etc.	—	1,74	1,85	1,88
Iron and steel	—	48,57	41,94	87,59
Oils—				
Groundnut	—	22,08	37,05	29,33

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
BURMA—*contd.*				
Exports of Indian produce—*contd.*				
Oils—*contd.*				
Linseed	—	1,91	1,93	1,96
Mustard or rape	—	2,82	2,84	2,38
Paints and Painter's Materials	—	7,82	6,23	9,23
Paper and Pasteboard	—	9,12	9,43	11,75
Provisions and Oilman's stores	—	32,74	27,85	31,68
Seeds—				
Groundnut	—	7,36	12,77	12,35
Sesamum	—	8,10	5,67	2,76
Spices—Betelnuts	—	14,66	17,47	15,57
Sugar	—	25,65	14,75	1.57
Tea	—	32,36	11,14	20,53
Textiles—				
Cotton—				
Twist and yarn	—	49,80	62,76	74,17
Piecegoods—				
Grey	—	1,19,46	92,09	1,11,36
White	—	12,07	7,94	7,44
Coloured, etc.	—	1,50,16	1,39,78	1,95,92
Jute—				
Gunny bags	—	1,04,72	1,19,66	1,77,03
Gunny cloth	—	2,56	2,76	2.56
Tobacco—				
Unmanufactured	—	10 56	13 97	21 71
Cigarettes	—	65,04	59,12	54.85
Other Sorts	—	10,52	10,27	12,29
Other articles	—	1,12,24	1,14 22	1,65 87
TOTAL	—	10,37,1[illegible]	10,0[illegible],37	12,[illegible]9,64
Exports of Foreign merchandise—				
Instruments, etc.	—	10,92	15,62	22,56
Machinery, etc.	—	7,19	6,55	5 7[illegible]
Cotton piecegoods	—	6 11	5,94	8 86
Vehicles	—	25,19	27,41	29,44
Other articles	—	42,53	51,30	50 07
TOTAL	—	91,94	1,06 85	1,17,64
STRAITS SETTLEMENTS.				
Imports therefrom—				
Canes and rattans	4,51	4.05	3,89	3,65
Cotton manufactures	8,01	9	45	17
Drugs and medicines	2,75	1,00	1,07	1,81
Dyeing and tanning substances	7,98	4,59	6,76	6,12
Fish	12,53	..	..	1
Fruits and vegetables	6,27	10	19	1
Gums and resins	5,45	7.51	7,41	7.03
Lac	1,51	4,09	4,47	8,58
Matches	7,64	..	..	..
Metals, tin	44,54	79.92	62,84	1,10,62
Oils, mineral	15,52	12,07	24,81	49,89
,, vegetable	39	53,55	44,10	76,79
Provisions and oilman's stores	23,72	23,87	26,47	23,66
Rice (not in the husk)	7,44	..	..	16
Silk, raw	6,75	.	..	..
Spices, betelnuts	85,78	1,29,19	1,82,30	1,36,50
,, others	12,63	7,35	12,47	11,00
Starch and farina	1,87	20,32	15,02	25,40
Sugar	3,74	1	..	49
Other articles	40,00	25,96	20,81	20,93
TOTAL	3,08,48	3,73,67	4,13,06	4,82,32
Exports of Indian produce—				
Animals, living	6,93	22	2	..
Coal and coke	17,18	3,72	72	15,93
Cordage and rope	3,35	2,31	1,97	3,02
Cotton, twist and yarn	24,41	18,44	29,06	15,15
,, manufactures	57,59	72,86	56,74	78,72
Fodder, bran, etc.	15,03	..	1	..
Grain, pulse and flour—				
Rice (not in the husk)	3,24,33	9,78	13,34	12,00
Others	18,80	16,60	16,20	14,65

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
STRAITS SETTLEMENTS—*contd.*				
Exports of Indian produce—*contd.*				
Hides and skins, raw	25	1	8	8
Jute manufactures	34,40	37,56	21,07	39,20
Opium	1,48,73	.		
Provisions and oilman's stores	14,92	10,25	10,62	12,93
Rubber, raw	84	..	..	.
Seeds	8,23	10,13	7,61	11,90
Tin, ore	2,03	..	..	..
Tobacco	13,12	2,44	2,22	2,42
Other articles	64,79	67,84	44,31	55 36
TOTAL	7,54,93	2,52,16	2,03,97	2,01,36
Exports of Foreign merchandise—				
Cotton manufactures	4,90	26	20	23
Spices, cloves	1,91	..	13	4
Other articles	11,44	12,46	12,34	12 20
TOTAL	18,25	12,72	12,67	12,47
SUMATRA.				
Imports therefrom—				
Oils, mineral	11,78	1,57,08	1 97	49 70
Other articles	5	2,73	2 95	8,59
TOTAL	11,8[illegible]	1,59,81	15 92	58,29
Exports of Indian and Foreign produce—				
Coal and coke	9,13	1,58	1,08	1,00
Rice (not in the husk)	10 67	..	..	..
Other articles	4,75	6,57	5,10	11,23
TOTAL	24 55	8,15	6 13	12,23
JAVA.				
Imports therefrom—				
Farinaceous foods	50	[illegible]	[illegible]	2 97
Liquors	9 59	[illegible]	2 77	3 23
Sugar	9,23 33	12 29	9,10	2 97 4[illegible]
Tea	81	..	.	..
Other articles	7,80	18,65	17 19	33,58
TOTAL	1,35,03	17,07	51,08	7,23
Exports of Indian produce—				
Jute, gunny bags	45,29	83,9[illegible]	59,52	1,17,53
Opium	52,28	..	..	..
Rice (not in the husk)	1,76,58	1		2
Other articles	15,50	16,10	13,34	24,03
TOTAL	2,89,74	1,00,10	72,86	1,41,58
Exports of Foreign merchandise—				
Miscellaneous articles	1,12	2 31	1,84	2,35

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
BORNEO.				
Imports therefrom—				
Oils, mineral	53,76	64,28	1,06,95	1,16,11
Other articles	2	1	20	27
TOTAL	53,78	64,29	1,07,15	1,16,38
Exports of Indian produce—				
Miscellaneous articles	62	5,44	3,77	8,32
THAILAND.				
Imports therefrom—				
Rice in the husk	..	..	4,72	18,46
,, not in the husk	..	15	32	20,51
Wood, teak	31,41	1,42	1 06	3
Other articles	3,39	1,71	3,32	14,22
TOTAL	34,80	3,28	9,42	53,22
Exports of Indian produce—				
Cotton manufactures	10 75	14,20	11,73	3,60
Jute, gunny bags	27,14	29,01	52 62	93,35
Opium	18,84	..	.	..
Other articles	6,21	3,66	5 29	6,72
TOTAL	62,94	46,87	69,64	1,03,67
Exports of Foreign merchandise—				
Miscellaneous articles	2,47	45	78	20
FRENCH INDO-CHINA.				
Imports therefrom—				
Rice	97	1,84	8,61	2,54,71
Other articles	4	3,14	5,32	5,51
TOTAL	1,01	4,98	13,93	2,60,22
Exports of Indian and Foreign produce—				
Cotton, raw	1,03	12,45	17 21	39,34
Jute manufactures	32,57	50,62	49,76	83,50
Opium	29,07	..	..	..
Other articles	3,48	1,25	1,27	4,92
TOTAL	66,75	64,32	68,24	1,27,76
JAPAN.				
Imports therefrom				
Ale, beer and porter	3	6,01	6,44	6,47
Apparel	9,17	27,83	9,31	11,44
Artificial silk	..	4,41,27	1,47,95	3,78,87
Bobbins	.	11,30	13,58	11,32
Boots and shoes	16	2,31	1,26	80
Brushes and brooms	48	2,29	1,70	1,57
Buttons of all sorts	..	10 94	6,80	7,28
Camphor	11 48	10 77	12,49	20,92
Carriages	11	82	65	37
Cement	1	88	9	29
Chemicals	93	23,43	16,19	36,89
Clocks and Watches	1,38	8,38	3,42	4,95
Coal and coke	7,02	8	..	..
Cotton raw	9	21	1	..
,, hosiery	65,23	25,09	13,60	8,66
,, piecegoods	6,10	4,59 10	5,13,39	5,13,76
,, yarn	6,16	1,68,25	1,76,90	2,42,11
,, other manufactures	2,12	23,69	7,39	8,99
Cycles and parts	..	16,52	8,95	10,03
Drugs and medicines (other than camphor)	1,72	5,85	4,00	15,53
Earthenware and porcelain	4,23	27 51	20,85	18,56
Furniture	71	2,88	2,02	1,82
Glass and glassware—				
Bangles	5	13 58	13,10	9,93
Beads and false pearls	7,61	6,36	4,86	3,12

*See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
JAPAN—*contd.*				
Imports therefrom—*contd.*				
Bottles and phials	1,00	19,00	17,69	18,58
Funnels, globes, etc.	58	81	71	80
Tableware	1,41	4,73	4,26	5,08
Others	3,85	25,35	19,50	21,08
Haberdashery and millinery	10,88	35,60	17,96	23,75
Hardware	3,59	30,26	20,81	24,60
Instruments	85	36,65	19,36	29,17
Machinery and millwork	63	49,17	30 38	18,95
Matches	28,40	7	2	4
Metals—				
Aluminium	..	11,35	3,71	3,34
Brass, bronze, etc.	7	12,27	1,63	4,42
Copper	27,99	7,32	1,07	10,08
Iron or steel	..	61,00	41,89	63,44
Paints and painters' materials	..	7,47	5,32	5,90
Paper and pasteboard	55	19,54	13,30	23,86
Provisions and oilman's stores	1,57	2,62	2,96	3,71
Rubber manufactures	..	17,53	12,20	21,76
Silk, raw	1,15	57,24	11,75	..
„ manufactures	1,31,45	1,49,80	85,03	56,05
Spices, ginger	3,40	3,06	27	..
Stationery (excluding paper)	2,17	17,01	12,54	11,33
Tea-chests	87	2,38	2,88	3,10
Toilet requisites	1,31	11,73	8,08	6,02
Toys and requisites for games	3,16	25,93	20,54	18,33
Umbrellas and umbrella fittings	4,91	17,94	7,58	11,54
Wood and timber	92	3,92	3 73	3 57
„ manufactures	71	6,15	4,47	2 74
Woollen manufactures	8	1,32,91	82,10	70 83
Other articles	9,10	1,55,93	1,05,55	1,58,79
TOTAL	3,64,35	22,10,28	15,41,34	19,29,00
Exports of Indian produce—				
Cotton, raw	14,50,70	14,78,92	11,27,06	10,76,50
Hides and skins, tanned or dressed	12,79	17,85	5,62	55
Iron and steel	15,24	1,50,36	1,83,27	1,61,66
Jute, raw	10,84	28,26	28,40	43,24
„ manufactures	10,93	12,30	8,67	2,71
Lac	2,17	10,91	5,95	3,78
Manures	5,59	38	20	34
Oilcakes	15,19	7,87	..	18
Opium	9,79	..	..	..
Paraffin wax	6,90	5	..	..
Pulse	4,19	2	1	1
Rice (not in the husk)	1,33,89	2	2	1
Other articles	6,44	1,06,53	99,84	1 10,28
TOTAL	16,84,66	18,13,47	14,59,02	13,99,26
Exports of Foreign merchandise—				
Miscellaneous articles	1,66	37,41	23,08	17,17
HONGKONG.				
Imports therefrom—				
Apparel	1,21	24	27	21
Cordage	3,19	15	25	41
Cotton manufactures	1,94	1,42	1,85	59
Drugs and medicines	6,48	33	31	65
Fireworks	5,00	38	46	1,25
Grain, pulse and flour	4,58	1,05	5,12	3,87
Provisions	3,85	30	25	38
Silk, raw	23,69	2,97	5,82	20,67
„ manufactures including yarn	21,61	2,17	1,80	2,82
Sugar	10,34	2,73	4,67	5,01
Other articles	16,42	12,62	14,23	28,19
TOTAL	98,31	24,36	35,03	64,05

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
HONGKONG—*contd.*				
Exports of Indian produce—				
Chemicals	11,14	45	48	54
Coal and coke	..	1,25	6,11	24,02
Cotton—				
Raw	32,85	..	..	1
Twist and yarn	3,86,49	37,18	41,30	25,70
Drugs and medicines	4,92	2,79	7,69	9,07
Grain, pulse and flour	12,70	19	14	17
Jadestone	5,65	..	..	..
Jute manufactures	7,42	28,94	8,16	13,15
Opium	4,15,52	..	..	..
Other articles	36,17	12,76	14,39	21,91
TOTAL	9,12,86	83,56	78,27	94,57
Exports of Foreign merchandise—				
Fish—				
Fishmaws and sharkfins	4,67	99	85	28
Fruits and vegetables—				
Dried, salted or preserved	2,13	12	21	18
Other articles	6,62	2,78	2,50	3,82
TOTAL	13,42	3,89	3,56	4,28
CHINA (EXCLUSIVE OF HONGKONG AND MACAO).				
Imports therefrom—				
Cotton yarn	5	3,00	64,68	74,53
,, piecegoods	20	3	3	30,76
Silk, raw	53,44	31,09	32,27	41,73
,, manufactures including yarn	35,67	20,80	29,67	48,53
Spices	37	4,50	5,11	8,42
Tea	10,70	8,62	2,40	5,08
Other articles	27,55	29,67	39,30	52,41
TOTAL	1,57,98	97,71	1,73,46	2,61,47
Exports of Indian produce—				
Cotton—				
Raw	42,79	68,78	1,71,15	6,68,38
Twist and yarn	4,10,64	1,23	2,84	1,35
Piecegoods	2,70	16	10	11
Grain, pulse and flour	12,32	3	4	6
Jute, raw	10,84	27,33	10,89	23,94
,, manufactures	49,50	91,40	9,81	25,25
Paraffin wax	1,22	4,90	3,15	2,80
Tea	35,95	..	1	..
Other articles	3,06,43	4,59	48,92	1,28,08
TOTAL	8,72,39	1,98,42	2,47,00	8,49,97
Exports of Foreign merchandise—				
Miscellaneous articles	1,30	77	2,60	78
EGYPT.				
Imports therefrom—				
Building materials	..	9,57	17,93	8,52
Cigarettes	4,69	25	19	24
Cotton, raw	4,45	2,83,49	1,87,19	2,64,84
Salt	9,17	..	8,49	4,79
Other articles	7,86	5,07	5,09	5,84
TOTAL	26,17	2,98,38	2,18,89	2,84,23

* See Note (2) on page 203.

No. 6—*continued*

(In thousand of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
EGYPT—*contd.*				
Exports of Indian produce—				
Cotton, twist and yarn	10,12	6,25	1,49	3,05
Grain, pulse and flour—				
Rice (not in the husk)	53,81	4	5	5
Wheat	3,83	..	1,03	..
Wheat flour	16,41	5,93	2,34	21
Others	11,15	17	1	8
Indigo	3,96	7	3	..
Jute, raw	86	9,27	2,96	2,93
,, gunny bags	48,40	45,59	53,24	85,68
,, ,, cloth	84	11,63	8,63	26,15
Seeds	11,91	6,10	31,56	2,69
Other articles	24,41	56,49	21,16	35,90
TOTAL	1,85,70	1,41,54	1,22,50	1,56,74
Exports of Foreign merchandise—				
Miscellaneous articles	4,84	6,96	3,41	20,92
UNION OF SOUTH AFRICA.				
Imports therefrom—				
Barks for tanning	—	21,07	23,19	44,38
Coal and coke	11,67	5,25	6,43	1,16
Other articles	1,48	21,85	5,13	14,96
TOTAL	13,15	48,17	34,75	60,50
Exports of Indian produce—				
Jute, gunny bags	39,33	71,53	66,63	1,48,63
,, ,, cloth	1,89	12,49	11,47	34,63
Oils, vegetable	3,54	1,62	1,53	5,93
Paraffin wax	5,16	5,04	1,49	1,51
Provisions	3,27	28	25	42
Rice (not in the husk)	32,08	28,30	31,03	38,82
Other articles	16,92	32,12	36,82	74,15
TOTAL	1,02,19	1,51,38	1,49,22	3,03,79
Exports of Foreign Merchandise—				
Miscellaneous articles	2,72	2,47	3,68	5,30
PORTUGUESE EAST AFRICA.				
Imports therefrom—				
Coal	4,86	2,68	..	..
Fruits and vegetables	1	18,38	15,80	6,74
Sugar	..	..	..	2,03
Other articles	1,10	20,26	18,45	15,30
TOTAL	5,97	41,32	34,25	24,07
Exports of Indian produce—				
Cotton manufactures	9,08	9,94	9,03	16,21
Grain, pulse and flour	14,85	4,55	5,01	6,41
Jute, gunny bags	14,31	38,57	30,03	52,87
Oils	36	15	14	39
Paraffin wax	3,88	4,53	5,58	18
Other articles	5,79	17,65	17,70	21,61
TOTAL	47,77	75,39	67,49	97,67
Exports of Foreign merchandise—				
Cotton manufactures	8,62	81	45	55
Other articles	3,57	2,59	4,59	2,19
TOTAL	12,19	3,40	5,04	2,74

* See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
KENYA COLONY AND ZANZIBAR AND PEMBA.				
Imports therefrom—				
Cotton, raw	13	4,23,96	4,73,48	2,87,25
Hides and skins, raw	7	56	81	78
Ivory, unmanufactured	4,96	4,35	4,75	3,81
Sodium compounds	..	4,60	5,19	6,61
Spices (mainly cloves)	26,06	8,08	20,82	39,75
Other articles	4,75	5,18	7,90	7,53
TOTAL	35,97	4,46,79	5,12,93	3,45,36
Exports of Indian produce—				
Cotton manufactures	10,91	8,43	7,41	10,08
Grain, pulse and flour—				
Rice (not in the husk)	32,72	4,98	6,10	5,56
Other sorts	8,98	8,55	[illegible]	6,56
Jute manufactures	4,00	20,88	17,69	34,79
Other articles	12,47	17,20	15,05	18,52
TOTAL	69,08	60,04	53,64	76,41
Exports of Foreign merchandise—				
Cotton manufactures	8,24	1,78	1,21	1,75
Other articles	11,57	25,64	14,00	14,59
TOTAL	19,81	27,42	15,21	16,34
MAURITIUS.				
Imports therefrom—				
Sugar	2,63,24	..	..	..
Other articles	98	57	38	9
TOTAL	2,64,22	57	38	9
Exports of Indian produce—				
Grain, pulse and flour—				
Rice (not in the husk)	74,20	21,01	41,61	36,51
Wheat flour	8,73	18	13	9
Other sorts	9,22	6,64	7,47	7,10
Jute manufactures	8,13	11,55	11,11	12,31
Oils, vegetable	6,03	3,80	6,35	8,27
Other articles	18,98	18,20	19,53	23,74
TOTAL	1,25,29	61,38	86,20	88,02
Exports of Foreign merchandise—				
Miscellaneous articles	4,77	93	93	50
CANADA.				
Imports therefrom—				
Motor vehicles and parts	..	64,09	55,67	92,91
Paper and pasteboard	..	7,61	70	6,74
Railway plant	79	—	—	—
Rubber manufactures	..	2,96	1,07	2,43
Other articles	30	24,90	33,32	34,55
TOTAL	1,09	99,56	90,76	1,36,63
Exports of Indian and Foreign produce—				
Jute, gunny cloth	40,29	91,22	74,58	1,62,21
Tea	54,91	90,87	97,92	1,81,58
Other articles	14,09	40,92	41,86	68,43
TOTAL	1,09,29	2,32,01	2,14,36	4,12,22

* See Note (2) on page 203.

No. 6—*continued*

(In thousands of Rupees)

ARTICLES	Pre-war average*	1937-38	1938-39	1939-40
UNITED STATES.				
Imports therefrom—				
Aluminium	4,26	12	12	34
Apparel	33	8,07	8,11	9,39
Arms	80	1,77	1,86	2,44
Belting for machinery	1,11	9,43	8,63	10,53
Building materials	88	16,76	9,77	15,17
Carriages	72	1,31	14	1,35
Chemicals	22	17,01	10,06	34,11
Clocks and watches	3,82	2,08	1,22	1,30
Copper	..	25,97	16,19	34,82
Cotton, raw	27,72	2,20,91	37,47	88,72
" piecegoods	26,44	1,00	43	1,96
Drugs and medicines	4,18	28,40	26,40	36,50
Dyeing and tanning substances	..	8,20	7,93	23,52
Furniture	1,44	1,91	1,41	93
Glass and Glassware	1,17	77	69	99
Hardware	24,72	26,16	22,41	32,19
Instruments	5,86	94,10	58,44	1,09,31
Iron and steel	48,50	43,67	25,29	41,89
Leather	..	10,48	8,72	6,79
Machinery	24,56	1,35,00	2,11,56	2,49,33
Manures	—	1,73	1,95	1,85
Motor vehicles and parts thereof	8,49	2,63,05	1,61,53	2,47,79
Oils, mineral	2,19,66	1,28,91	86,18	1,45,94
Paper and pasteboard	1,21	12,04	5,26	23,79
Provisions	8,80	19,44	16,38	19,80
Railway plant	54	—	—	—
Rubber manufactures	16	21,62	6,83	59,65
Spirit	5,34	14,90	13,56	14,83
Stationery	2,05	5,42	5,42	10,20
Sugar	18	..	..	..
Tobacco	5,90	41,81	48,31	57,66
Toilet requisites	2,22	20,48	22,92	28,12
Wood and Timber	6,56	10,79	8,20	10,54
Zinc	1	6,53	5,73	2,25
Other articles	16,12	92,08	96,31	1,13,65
TOTAL	4,49,03	12,87,72	9,77,83	14,87,65
Exports of Indian produce—				
Coir manufactures	5,29	5,65	4,47	6,16
Cotton, raw	8,19	71,12	41,04	1,18,11
Fruits and vegetables	1,73	1,13,11	1,10,94	98,33
Grain, pulse and flour	1,99	1,35	3,19	4,84
Gums and resins	1,36	14,29	15,08	22,57
Hides and skins—				
Raw	3,48,76	1,66,85	1,51,38	2,05,16
Dressed or tanned	20,59	11,90	7,74	16,32
Iron and steel	44	21,27	3,69	11,95
Jute—				
Raw	2,32,98	1,84,71	67,04	2,01,73
Gunny bags	91,73	23,95	12,82	34,71
" cloth	6,92,16	8,26,55	6,70,12	10,41,41
Lac	93,77	67,71	50,45	1,22,83
Manganese ore	18,75	34,71	15,15	40,54
Manures	4,85	2,46	5	48
Mica	6,99	39,80	13,41	48,71
Myrobalans	9,78	8,19	6,65	9,47
Oils, vegetable	9,16	12	2	5,98
Paraffin wax	3,48	25	22	9
Rubber, raw	11	14,02	11,13	38,08
Saltpetre	7,61	..	..	..
Seeds—				
Castor	17,62	..	..	27,74
Linseed	49,29	11,60	5	..
Spices	8,31	4,42	2,18	4,47
Tea	11,70	37,98	47,47	81,69
Wool, raw	4,52	43,00	40,91	1,38,04
" manufactures	2,38	14,07	7,31	15,91

* See Note (2) on page 208.

No. 6—*concluded*

(In thousands of Rupees)

Articles	Pre-war average*	1937-38	1938-39	1939-40
UNITED STATES—*contd.*				
Exports of Indian Produce—*contd.*				
Other articles	21,06	1,04,93	96,40	1,47,98
TOTAL	16,83,60	18,25,70	13,87,91	24,43,20
Exports of Foreign merchandise—				
Miscellaneous articles	6,67	47,33	40,61	2,74,76
WEST INDIES.				
Exports of Indian and Foreign produce—				
Jute, gunny bags	44,32	91,15	84,64	1,27,10
Rice (not in the husk)	18,56	6,87	7,06	8,00
Other articles	3,71	14,07	10,32	13,57
TOTAL	66,59	1,12,09	1,02,02	1,48,67
ARGENTINE REPUBLIC.				
Exports of Indian produce—				
Jute, raw	1,03	15,49	17,28	35,51
„ twist and yarn	26	4,44	1,49	3,61
„ gunny bags	4,99	4,58	5,05	8,90
„ „ cloth	2,08,57	2,43,73	2,61,81	3,04,97
Rice (not in the husk)	11,52	..	1	..
Other articles	76	2,85	2,70	2,33
TOTAL	2,27,13	2,71,09	2,88,34	3,55,32
Exports of Foreign merchandise—				
Miscellaneous articles	..	..	..	..
AUSTRALIA.				
Imports therefrom—				
Coal	7,89	32	..	..
Horses	30,00	25,11	20,56	9,13
Provisions and oilman's stores	2,96	13,49	13,34	24,74
Railway plant, etc.	36,74	—	—	—
Steel	..	..	9,73	37,94
Tallow and stearine	1,30	18,93	15,93	22,33
Wheat		21,05	1,10,25	61,27
Wool, raw	3,71	50,22	35,54	48,97
Zinc	..	27,74	27,02	23,41
Other articles	18,56	8,78	8,91	11,26
TOTAL	1,01,16	1,65,84	2,41,28	2,39,05
Exports of Indian produce—				
Hides and skins, raw	4,42	20,74	17,30	18,60
Jute, bags and cloth	2,05,07	2,04,71	1,99,11	3,60,69
Oils	6,26	38	43	91
Rice (not in the husk)	2,93	..	1	1
Seeds	3,11	39,54	20,19	58,97
Tea	40,81	6,36	9,22	23,89
Other articles	32,76	41,06	41,74	86,55
TOTAL	3,13,56	3,12,79	2,97,30	5,49,62
Exports of Foreign merchandise—				
Miscellaneous articles	53	85	76	50

* See Note (2) on page 203.

No. 7.—Total Imports and Exports of Merchandise of certain principal Countries and British India during the calendar years 1937, 1938 and 1939 with respective pre-war averages*

(In millions of £ sterling)

Countries	Imports				Exports (domestic)			
	Pre-war average(i)	1937	1938	1939	Pre-war average(i)	1937	1938	1939
United Kingdom	599	973	859	Not available	465	521	471	Not available.
France	305	341	270		253	192	179	
Egypt (e)	26	39(d)	38 (d)		31	40 (d)	29 (d)	
Canada	106	163	138		66	202(c)	170 (c)	
United States of America	341	609	399		433	667	625	
Netherlands (a)	(b)	173	159		(b)	128	117	
Germany	477	436(f)	447 (f)		405	470 (f)	432 (f)	
Switzerland	71	83	74		63	60	62	
Italy (d)	137	148	120		88	111	112	
Czechoslovakia (g)	—	77	59		—	84	72	
Belgo-Luxemburg Economic Union	155†	188	157		144†	172	149	
Denmark (d)	(b)	75	73		(b)	70	69	
Sweden	(b)	109	107		(b)	103	95	
Australia	73†	102	105		67†	119	107	
British India (by sea) (h)	103	126	118		148	152	122	

* Compiled from the "Accounts relating to the Trade and Commerce of certain Foreign Countries and British Possessions" published quarterly by the Board of Trade, London.

† Triennial average.

(a) Excluding trade in diamonds and postal articles.
(b) Not available.
(c) Including silver contained in ore, concentrated, and gold bullion obtained from mining operations.
(d) Including silver bullion
(e) Excluding trade with Sudan
(f) Including silver bullion and specie.
(g) Including bullion other than for monetary purposes
(h) Excluding Burma as from 1937.
(i) See Note (2) on page 203.

Note.—In the cases of Germany, the Netherlands, the Belgo-Luxemburg Economic Union, France, Switzerland, Italy, Czechoslovakia, the United States, Sweden, the Dominion of Canada *and the United Kingdom* the import figures given in the above summary represent imports for home consumption. In all cases except Australia the export figures are intended to represent exports of domestic produce. In most cases, however, they include a certain amount of "nationalised" goods, i.e., goods originally imported which, if dutiable, have been charged the duty but which are subsequently re-exported.

No. 8.—Quantity and value of the principal articles of Imports, arranged in the order of their importance

—		Quantity (in thousands)						Value (in thousands of rupees)					
		Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40
Cotton, raw	Tons	12	58	12	134	96	84	1,02,22	44,44	2,01,10	12,12,87	8,50,89	8,05,45
" waste	Cwt.	3*	2	..	..	..	..	60*	46	9	1	3	1
" manufactures—													
Piecegoods, grey	Yds.	1,331,017	904,874	676,828	138,080	257,642	235,737	21,08,56	19,65,42	25,02,60	1,90,04	3,06,74	2,82,90
" white	"	654,255	518,890	373,569	202,203	179,135	133,673	11,20,33	12,33,42	16,19,66	4,17,99	3,30,26	2,83,53
" coloured	"	631,552	386,277	285,423	235,515	210,487	209,591	12,94,80	12,41,46	17,03,95	5,61,37	3,90,44	3,98,50
Twist and yarn	lb.	41,794	94,063	44,691	21,998	36,459	41,132	3,77,18	4,94,79	9,32,92	2,50,74	2,92,91	3,51,96
Hosiery	. .	—	—	-	—	—	—	92,86	94,83	1,14,72	29,04	17,53	12,42
Handkerchiefs and shawls.	No.	24,014*	8,970	5,618	9,454	4,997	3,860	52,20*	22,92	22,58	10,03	4,23	4,59
Thread, sewing	lb.	1,598	1,722	1,208	1,618	1,439	1,220	36,10	49,65	70,98	43,21	39,63	37,13
Other sorts	. .	—	—	—	—	—	—	1,35,66	1,35,61	1,47,68	52,87	33,54	33,85
Total	. .	—	—	—	—	—	—	53,20,51	52,83,00	73,16,23	27,68,17	22,66,20	22,10,34
Grain, pulse and flour	Tons	15	34	136	1,336	1,603	2,451	19,68	53,29	2,69,56	12,16,85	13,76,16	21,80,54
Oils—													
Mineral, kerosene	Gals.	66,909	48,533	63,418	292,646	189,054	193,466	2,71,16	2,37,57	4,43,76	7,62,14	6,15,66	7,51,24
" other kinds	"	24,056	34,298	75,515	272,300	256,657	269,484	1,00,87	1,64,73	3,59,10	9,83,31	8,21,74	9,61,37
Mineral grease	lb.	—	—	—	6,573	6,022	8,173	—	—	—	11,75	11,66	16,32
Turkey red oil	Gals.	—	—	—	1	..	..	—	—	—	1	..	1
Animal	"	712	475	28	—	—	—	8,42	8,40	81	3,04	2,80	1,82
Vegetable	"	471	367	386	7,858	7,614	10,980	10,00	8,37	15,16	93,52	64,64	1,14,80
Essential	"	14	20	31	68	69	72	4,48	4,86	9,50	16,22	15,91	16,75
Total	.	—	—	—	—	—	—	2,94,88	4,23,93	8,28,33	18,69,99	15,62,41	18,62,31
Machinery and millwork—													
Metal working machinery (*including* machine tools).	.	—	—	—	—	—	—	1,49	88	35,08	36,12	38,95	49,98
Textiles, Cotton	. .	—	—	—	—	—	—	1,46,16	1,36,32	5,34,29	2,92,13	2,66,36	1,96,45
" Jute	. .	—	—	—	—	—	—	1,15,06	83,05	2,34,71	1,06,15	70,94	45,92
" Other sorts	. .	—	—	—	—	—	—	3,95	3,78	37,96	52,21	40,97	26,42
Prime-movers	. .	—	—	—	—	—	—	79,20	45,94	1,99,59	1,69,84	1,87,00	1,68,87
Electrical	. .	—	—	—	—	—	—	39,39	39,60	2,43,07	2,69,08	3,71,92	2,35,58
Paper mill machinery	.	—	—	—	—	—	—	3,06	4,29	19,15	44,89	27,67	13,36

* Average for two years 1912-13 and 1913-14.
(a) See Note (2) on page 203.

No. 8—*continued*

—		Quantity (in thousands)						Value (in thousands of rupees)					
		Pre-war average(c)	War average(c)	Post-war average(c)	1937-38	1938-39	1939-40	Pre-war average(c)	War average(c)	Post-war average(c)	1937-38	1938-39	1939-40
Machinery and millwork—*contd.*													
Sewing and knitting machines and parts.		—	—	—	—	—	—	26,35	40,20	51,40	82,00	57,25	73,21
Boilers		—	—	—	—	—	—	—	20,34	1,37,69	1,16,72	1,40,20	85,45
Tea		—	—	—	—	—	—	19,57	16,05	30,65	20,87	22,63	17,21
Mining		—	—	—	—	—	—	11,51	13,26	53,27	16,93	25,17	48,45
Typewriters	No.	5	6	10	21	13	15	2,75	10,92	18,97	19,55	13,67	18,12
Rice and flour mill machinery.		—	—	—	—	—	—	6,28	6,27	39,13	8,85	6,85	5,70
Sugar		—	—	—	—	—	—	3,35	2,46	28,00	69,38	61,37	50,84
Other kinds		—	—	—	—	—	—	1,02,52	90,51	5,01,88	4,10,21	5,78,33	4,31,89
TOTAL		—	—	—	—	—	—	5,61,14	5,13,87	21,64,84	17,14,93	19,04,78	14,66,95
Metals—													
Iron and steel—													
Sheets and plates—													
Galvanised	Tons	175	46	100	43	26	16	3,36,93	1,03,98	3,47,06	97,43	59,06	37,86
Tinned	,,	31	41	41	7	14	6	73,31	1,54,95	2,03,72	23,94	48,88	24,72
Not galvanised or tinned	,,	92	31	86	24	26	17	1,28,29	90,00	2,31,02	46,37	51,63	33,76
Bars (steel)	,,	140	40	139	51	17	21	1,33,29	87,69	2,92,46	96,74	43,57	41,68
Bars and channel (iron)	,,	26	11	16	1	1	1	31,26	30,84	45,17	2,74	2,45	1,50
Beams, channels, pillars, girders and bridgework	,,	71	18	65	26	19	10	82,01	26,88	1,63,29	40,66	30,60	16,04
Pipes and fittings, cast	,,	35†	16	19	1	3	2	53,23†	32,34	67,68	7,02	8,96	8,53
Tubes, pipes and fittings, wrought	,,	12†	22	34	41	34	33	29,85†	79,59	2,02,73	1,07,02	1,03,77	1,01,03
Hoops and strips	,,	26	27	25	49	24	33	34,94	90,02	79,77	85,71	48,55	73,22
Angle and spring	,,	31	14	25	15	10	7	31,69	35,46	59,46	22,81	16,84	11,56
Nails, rivets and washers	,,	20	18	10	15	11	9	41,48	89,62	56,27	45,63	34,35	37,84
Screws	,,	2*	1	1	3	3	2	10,65*	13,74	16,05	15,86	12,89	9,96
Rice-bowls	,,	6	2	1	..	..	..	11,63	3,96	2,94	16	..	..
Steel (cast)	,,	3	2	4	1	..	..	8,44	5,19	23,38	3,11	1,80	1,39
Other sorts	,,	138	133	95	92	84	104	2,41,57	1,63,78	3,47,43	2,21,18	2,04,44	2,09,70
TOTAL	,,	808	422	661	369	272	261	12,48,51	10,11,04	21,38,94	8,21,38	6,67,79	6,08,79
Tin	Cwt.	38	30	49	60	56	76	51,87	44,61	69,03	85,48	70,66	1,21,30
Brass	,,	20	113	444	219	315	195	11,65	78,58	2,75,67	86,81	1,05,66	72,72
Copper, wrought	,,	532	63	191	265	102	188	2,75,37	52,44	1,49,84	1,18,83	39,69	87,32
,, other than wrought and ore.	,,	61	27	69	51	67	56	31,63	18,27	41,66	20,96	21,72	21,54
TOTAL COPPER	,,	593	90	260	316	169	244	3,07,00	70,71	1,91,50	1,39,79	61,41	1,08,86

Lead . . . . . Cwt.	123	102	67	156	149	254	18,41	30,18	19,30	28,87	20,34	40,65
Zinc . . . . . ,,	106	51	101	447	523	451	22,11	22,89	30,16	76,81	56,36	58,27
Aluminium . . . . . ,,	31	9	58	67	58	32	23,45	10,77	67,96	52,70	46,30	25,56
German silver . . . . ,,	22	5	5	24	35	27	17,67	3,03	9,42	14,47	16,42	10,70
Others . . . . . Tons	41	1	1	5	7	5	6,74	17,11	19,23	31,12	38,57	35,52
TOTAL OF METALS . ,,	896	443	711	438	341	330	17,07,41	12,88,92	28,21,21	13,37,43	10,83,51	10,82,37
TOTAL OF ORES . ,,	1	..	6	..	1	1	1,69	1,77	4,35	1,91	3,01	4,94
Vehicles—												
Aircraft and parts	—	—	—	—	—	—	—	—	6	42,52	22,08	21,80
Carriages and carts and parts thereof.	—	—	—	—	—	—	24,29	9,31	45,23	12,93	8,39	8,07
Carriages and wagons and parts for railways (a).	—	—	—	—	—	—	—	—	—	99,90	1,03,64	63,28
Cycles and parts	—	—	—	—	—	—	31,35	20,58	47,89	1,18,54	96,09	74,34
Mechanically propelled vehicles—												
Motor cars . . . . . No.	(b)3	2	8	16	11	10	(b)1,13,45	74,91	3,12,28	2,98,25	2,17,09	2,06,88
Motorcycles . . . . ,,	(b)1	1	2	1	1	1	(b)10,68	6,36	19,43	4,68	4,46	3,49
Motor omnibuses, etc. . . . ,,	..	..	1	15	8	15	(b)5,71	6,39	69,61	2,06,85	1,18,36	2,04,56
Tram cars . . . . . ,,	—	—	..	..		..	—	—	5	..	..	..
Parts and accessories	—	—	—	—	—	—	31,30*	23,79	77,82	1,02,05	87,77	1,03,28
Ships and parts	—	—	—	—	—	—	18,64	20,29	54,02	6,58	10 32	1,37
TOTAL .	—	—	—	—	—	—	1,74,92	1,62,13	6,26,39	8,92,30	6,68,20	6,87,07
Instruments, apparatus and appliances—												
Electrical	—	—	—	—		—	70,27	1,09,31	2,84,29	3,46,75	3,31,29	2,87,48
Musical	—	—	—	—	—	—	22,73	12,11	20,16	23,35	15,50	12,45
Scientific	—	—	—	—	—	—	14,93	12,88	30,07	18,39	18,54	13,44
Photographic	—	—	—	—	—	—	9,98	13,43	25,92	1,13,72	1,06,38	1,24,58
Other kinds	—	—	—	—	—	—	17,91	17,93	31,32	1,11,15	1,13,60	1,19,84
TOTAL .	—	—	—	—	—	—	1,35 82	1,65,66	3,91,76	6,13,36	5,85,31	5,57,79
Artificial silk	—	—	—	—	—	—	—	—	71,94	4,87,49	2,23,62	4,58,68
Chemicals—												
Soda compounds . . . . Cwt.	531	826	903	2,394	2,077	2,708	28,30	74,44	85,71	1,42,42	1,33,99	2,08,86
Other sorts	—	—	—	—	—	—	62,19	1,17,07	1,19,19	1,90,40	1,71,30	2,42,90
TOTAL .	—	—	—	—	—	—	90,49	1,91,51	2,04,90	3,32,82	3,05,29	4,51,76
Dyes—												
Alizarine . . . . . lb.	6,667	1,202	4,546	2,200	874	805	32,35	12,46	52,13	13,79	5,69	6,02
Coupling dyes of the naphthol group ,,	—	—	—	3,898	2,573	2,172	—	—	—	70,73	59,95	55,74
Vats . . . . . ,,	—	—	—	2,012	1,733	1,560	—	—	—	1,44,92	1,26,81	1,20,33
Others	—	—	—	—	—	—	1,00,66	93,96	2,39,01	1,64,62	1,18,75	1,78,77
TOTAL	—	—	—	—	—	—	1,33,01	1,06,42	2,91,14	3,94,06	3,11,20	3,60,86
Paper and pasteboard . . Cwt.	—	—	1,299	3,633	3,073	2,701	1,27,07	2,02,47	3,49,73	4,14,71	3,22,98	3,45,92

* Average for two years 1912-13 and 1913-14.
(a) For figures prior to 1928-29 see under Railway plant, etc.
(c) See Note (2) on page 208.

† Average for four years 1910-11 to 1913-14.
(b) Figures for 1913-14.

No. 8—*continued*

	Quantity (in thousands)						Value (in thousands of rupees)					
	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Sugar—												
Sugar, 16 D. S. and above (*including* beet).	Tons 624	469	443	14	33	252	12,33,90	14,07,55	18,03,05	17,60	40,91	3,25,28
,, others	,, 10	3	1	..	1	1	17,07	7,47	1,69	99	1,29	2,98
Molasses	,, 93	81	73	..	2	2	41,53	41,40	66,26	1	3,38	3,32
TOTAL	,, 727	553	517	14	36	255	12,92,50	14,56,42	19,71,00	18,60	45,58	3,31,58
Wood and Timber—												
Teak wood	C. tons 92	70	26	170	160	160	69,32	82,67	46,07	2,17,59	2,08,49	2,01,49
Others	—	—	—	—	—	—	10,07	19,62	63,05	80,67	78,20	68,24
TOTAL	—	—	—	—	—	—	79,39	1,02,29	1,09,12	2,98,26	2,86,69	2,69,73
Provisions and oilman's stores—												
Canned and bottled provisions	Cwt. 86	100	109	162	134	124	40,16	55,99	83,11	62,87	52,44	53,06
Biscuits and cakes	,, 73	46	30	30	29	28	37,08	27,72	31,79	27,20	24,72	25,12
Confectionery	,, 60	20	20	28	24	22	24,04	13,14	23,55	18,80	16,71	13,77
Farinaceous and patent foods	,, 256	248	273	375	428	368	38,10	46,40	68,84	74,14	76,78	85,33
Milk, condensed and preserved	,, 103	74	69	59	62	76	32,57	34,00	48,05	19,37	20,05	25,63
Other sorts	—	—	—	—	—	—	57,19	50,70	64,16	57,94	57,71	60,57
TOTAL	—	—	—	—	—	—	2,29,14	2,27,95	3,19,50	2,60,32	2,48,41	2,63,48
Drugs and Medicines—												
Camphor	lb. 1,417	1,632	707	1,771	1,869	1,737	15,65	24,37	24,71	22,33	21,88	29,22
Proprietary and patent medicines	—	—	—	—	—	—	24,74	21,87	24,70	73,73	60,75	88,96
Quinine salts	lb. 119	76	81	105	98	83	11,61	17,89	27,58	26,29	25,37	24,87
Other sorts	—	—	—	—	—	—	42,11	56,71	93,02	1,13,82	1,12,53	1,18,16
TOTAL	—	—	—	—	—	—	94,11	1,20,84	1,70,01	2,36,17	2,20,53	2,61,21
Spices—												
Betelnuts	Cwt. 1,156	1,175	1,107	1,478	1,840	1,588	1,08,24	1,36,35	1,60,48	1,42,84	1,95,86	1,60,03
Cloves	,, 76	90	74	35	70	92	27,78	39,15	48,46	15,70	36,60	47,17
Others	,, 97	100	84	133	159	260	28,26	30,53	28,05	24,29	30,97	47,30
TOTAL	,, 1,329	1,365	1,265	1,646	2,069	1,940	1,64,28	2,06,03	2,36,99	1,82,83	2,63,43	2,54,50

Hardware—													
Implements and tools	—	—	—	—	—	—	28,47	38,70	79,98	58,55	49,71	49,86
Lamps and parts	—	—	—	—	—	—	49,42	31,26	63,61	61,17	34,53	28,04
Builders' hardware	—	—	—	—	—	—	23,36	18,57	35,69	32,42	30,45	22,16
Agricultural implements	—	—	—	—	—	—	12,13	13,44	26,54	2,60	2,68	2,79
Enamelled ironware	—	—	—	—	—	—	22,81	13,65	29,43	15,87	11,66	11,66
Domestic hardware	—	—	—	—	—	—	18,68	7,59	13,50	9,15	9,51	5,42
Other sorts	—	—	—	—	—	—	1,62,22	1,56,18	3,30,06	1,51,46	1,18,73	1,06,93
TOTAL	—	—	—	—	—	—	3,17,04	2,79,45	5,78,81	3,31,22	2,57,27	2,26,86
Liquors—													
Spirit . . . Gals.	1,644	1,537	1,747	1,065	965	1,078	1,14,69	1,56,79	2,43,02	1,36,69	1,22,83	1,38,28
Ale, beer and porter „	4,405	2,546	2,784	3,682	3,624	3,078	59,43	53,06	87,71	75,20	73,54	66,64
Wines . „	337	266	282	154	118	107	27,95	26,23	40,76	17,82	13,89	13,49
Cider . . . „	15	13	12	16	14	19	49	56	79	63	57	74
TOTAL „	6,401	4,362	4,825	4,917	4,721	4,281	2,02,47	2,38,64	3,72,28	2,30,34	2,10,83	2,19,15
Wool, raw . . . . lb.	3,202	3,678	2,086	8,173	7,296	7,689	16,21	18,28	15,34	84,80	62,11	74,99
„ manufactures—													
Piecegoods . . . Yds.	22,420	8,200	5,451	6,723	2,408	2,324	2,06,7[illegible]	1,37,63	1,88,71	1,12,52	45,08	34,84
Goods of wool mixed with other materials. „	—	—	—	3,019	2,321	1,216	—	—	—	51,06	31,74	15,83
Shawls and lohis . . No.	1,668	189	80	493	479	148	41,45	5,50	3,86	18,31	13,87	3,73
Carpets and floor rugs . lb.	1,400	636	397	157	144	112	16,20	9,37	13,56	4,05	2,42	2,40
Hosiery . . . „	440	257	156	377	368	272	11,98	11,83	12,66	13,98	13,47	9,68
Yarn and knitting wool . „	877	280	410	2,891	3,307	2,898	19,32	10,94	19,59	68,29	64,04	52,59
Other sorts . . . „	1,315	540	496	7,088	5,614	2,129	12,63	6,74	7,89	61,86	49,17	22,24
TOTAL .	—	—	—	—	—	—	3,21,58	1,99,99	2,61,61	4,14,87	2,81,90	2,16,30
Silk, raw and cocoons . . lb.	2,659	2,031	1,921	2,535	2,248	2,020	1,18,49	1,11,12	1,52,48	94,67	62,17	62,72
„ Yarn . . . „	1,011	787	734	2,337	1,120	910	41,20	42,29	38,29	61,18	32,16	24,27
„ manufactures—													
Piecegoods . . . Yds.	26,030	19,719	18,788	22,368	16,873	9,121	1,82,22	2,01,50	3,24,58	89,87	67,45	54,33
Mixed goods . . „	6,476	3,158	1,419	7,032	5,889	8,141	51,50	33,36	28,15	37,90	30,91	39,49
Other sorts . . . lb.	55	65	60	20	16	17	1,13	4,91	10,42	1,66	1,46	1,40
TOTAL .	—	—	—	—	—	—	3,94,54	3,93,12	5,73,92	2,85,58	1,94,15	1,82,21
Rubber, raw and manufactured .	—	—	—	—	—	—	23,16	97,25	1,84,33	2,09,81	1,51,13	1,67,88
Railway plant and rolling stock—													
Carriages and wagons and parts .	—	—	—				2,44,97	1,54,92	5,93,67			
Locomotives	—	—	—				1,04,46	89,37	3,11,71			
Materials for construction—												
Sleepers and keys of steel or iron. Tons	50	21	37				40,25	24,00	77,87			
Sleepers of wood . . „	59	12	17	*	*	*	40,02	[illegible],67	27,14	*	*	*
Other kinds . . . „	222	8	11				41,45	21,21	44,76			
TOTAL .	—	—	—				4,80,15	2,98,17	10,54,65			

* Discontinued from April, 1928.
(a) See Note (2) on page 203.

No. 8—*continued*

—		Quantity (in thousands)						Value (in thousands of rupees)					
		Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40	Pre-war average(a)	War average(a)	Post-war average(a)	1937-38	1938-39	1939-40
Manures	Tons	5	3	6	78	99	108	5,17	5,28	9,75	79,67	1,05,17	1,25,15
Fruits and Vegetables—													
Dried, salted, or preserved—													
Dates	Tons	46	47	55	70	65	61	58,03	67,52	1,06,61	56,26	44,96	55,38
Almonds	,,	3	3	5	3	3	1	23,78	25,61	46,96	21,23	21,39	8,16
Others	,,	4	2	3	20	14	8	10,27	8,72	13,38	32,02	21,31	15,47
Fresh fruits and vegetables	,,	—	—	—	—	—	—	15,64	8,45	9,01	48,72	46,77	42,27
TOTAL		—	—	—	—	—	—	1,07,72	1,10,30	1,75,96	1,58,23	1,34,43	1,21,28
Tobacco—													
Cigarettes	lb.	1,731	2,023	4,129	993	1,218	1,371	52,74	1,12,79	1,79,68	34,37	40,27	46,02
Others	,,	1,498	1,017	2,171	6,896	6,670	6,126	18,33	19,63	43,26	51,11	64,28	70,95
TOTAL	,,	3,229	3,640	6,300	7,889	7,888	7,497	71,07	1,32,42	2,22,94	85,48	1,04,55	1,16,97
Paints and painters' materials—													
Paints and colours	Cwt.	296	255	299	279	253	204	54,19	83,08	1,13,59	74,76	66,52	80,42
Painters' materials		—	—	—	—	—	—	16,81	15,91	30,11	27,10	22,47	22,13
TOTAL		—	—	—	—	—	—	71,00	98,99	1,43,70	1,01,86	88,99	1,02,55
Glass and glassware—													
Bangles		—	—	—	—	—	—	91,55	31,59	74,88	29,26	24,20	18,40
Bottles and phials	Gross	166	345	333	1,186	982	639	12,56	25,14	37,80	29,32	27,95	20,59
Beads and false pearls	Cwt.	29	18	22	22	19	12	24,67	17,05	37,12	18,86	13,38	8,50
Sheets and plates	Sq. ft.	16,187	8,329	15,509	21,014	27,065	21,797	17,46	20,09	42,98	25,42	23,70	19,94
Funnels, globes, etc.		—	—	—	—	—	—	12,44	14,21	18,75	6,90	5,17	3,78
Other glassware		—	—	—	—	—	—	3,24	19,94	41,52	42,12	30,72	30,56
TOTAL		—	—	—	—	—	—	1,61,92	1,28,02	2,53,05	1,51,88	1,25,12	1,01,77
Precious stones and pearls, unset		—	—	—	—	—	—	92,81	46,83	1,18,73	1,24,47	1,15,08	87,81
Tea chests		—	—	—	—	—	—	43,61	79,89	71,64	71,70	90,30	83,29
Stationery		—	—	—	—	—	—	57,81	64,15	1,06,52	81,02	67,04	64,70

Toilet requisites	—	—	—	—	—	—	20,48*	24,06	41,95	67,85	66,06	64,56
Salt . . . . . Tons	345	444	511	347	312	314	79,16	1,81,65	1,73,63	55,77	37,80	61,99
Building and Engineering materials—												
Cement . . . . Tons	30	95	119	32	21	11	52,[illegible]	33,22	1,10,22	12,93	10,05	7,29
Bricks and tiles . . . No.	17,833	16,534	20,260	21,718	16,988	16,3[illegible]4	15,13	20,35	36,64	15,99	16,01	13,34
Others	—	—	—	—	—	—	10,12	45,23	20,10	40,61	36,12	36,05
TOTAL		—	—	—	—	—	78,02	93,80	1,66,96	69,53	62,18	56,68
Books, printed, etc. . . . Cwt.	31	28	23	42	39	36	43,06	46,12	53,04	61,78	58,92	53,69
Belting for machinery . . .	—	—	—	—	—	—	3[illegible],53*	60,37	34,48	60,17	49,11	52,88
Arms, ammunition and military stores .	—	—	—	—	—	—	33,[illegible]8	32,85	59,72	1,27,78	50,17	48,99
Haberdashery and millinery .	—	—	—	—	—	—	1,36,54	1,02,30	1,30,71	63,51	46,52	43,46
Apparel—												
Apparel	—		—	—	—	—	74,64	77,31	95,66	36,21	23,17	18,59
Gold and silver thread . . .	—		—	—	—		43,49	36,66	32,91	4,21	2,30	78
Hats, caps and bonnets . . .	—	—	—	—	—	—	14,46	15,05	21,10	12,66	7,87	7,14
Second-hand clothing . . .	—		—	—	—	—	12,76*	7,12	9,72	11,06	10,02	9,16
Other kinds	—	—	—	—	—	—	1,32	7,30	10,24	3,55	4,14	2,28
TOTAL .	—	—	—	—	—	—	1,46,07	1,43,44	1,69,63	67,69	47,50	37,95
Bobbins	—	—	—	—	—	—	—	37,35	65,75	42,74	37,92	37,89
Clocks and watches and parts	—	—	—	—	—	—	22,78	18,10	24,06	52,41	42,63	35,99
Earthenware and porcelain . .	—	—	—	—	—	—	5[illegible],19	45,97	78,17	47,81	39,19	35,68
Toys and requisites for games . .	—	—	—	—	—	—	40,05	30,30	52,41	44,05	37,30	32,62
Tallow and stearine . . . Cwt	57	49	64	224	226	208	16,06	15,93	28,18	38,43	32,10	32,33
Gums and resins . . . ,,	150	87	163	190	252	168	23,86	19,65	32,77	27,42	30,13	27,23
Polishes	—	—	—	—	—	—	10,27*	13,06	24,27	23,47	22,73	24,78
Matches . . . . . Gross	14,560*	14,645	12,725	1,100	1,263	1,297	88,21*	1,53,91	1,76,68	20,44	23,52	24,67
Soap . . . . . Cwt.	314	342	289	42	34	33	61,87	96,45	1,71,16	24,46	22,44	23,67
Paper-making materials . . ,,	171	135	165	221	287	250	11,31	18,13	30,83	18,35	27,39	23,64
Cutlery	—	—	—	—	—	—	21,73	15,22	30,14	30,59	25,64	22,38
Hides and skins, raw . . . Tons	1	1	1	3	3	4	13,86	15,67	18,10	19,71	16,26	19,49
Umbrellas and fittings . .	—	—	—	—	—	—	41,95	28,96	38,29	28,06	14,87	17,20
Tea . . . . . lb.	4,842	7,412	7,668	3,639	4,082	3,346	22,29	47,38	55,43	18,49	15,73	15,96
Animals, living . . . No.	14	12	5	12	10	7	43,67	51,98	24,50	35,33	30,72	15,68
Flax, raw . . . lb.	7	..	1	.	..	.	6	3	1	..	..	..
,, manufactures—												
Canvas . . . Yds.	2,835	2,037	974	1,005	825	600	15,74	26,64	21,84	11,03	8,29	6,52
Piecegoods . . . ,,	2,347	1,072	360	342	163	120	8,35	5,46	8,72	2,06	1,42	1,01
Other sorts	—	—	—	—	—	—	6,52	10,06	12,98	9,38	8,25	6,91
TOTAL .	—	—	—	—	—	—	30,67	42,19	38,55	22,47	17,96	14,44

* Average for two years, 1912-13 and 1913-14.
(a) See Note (2) on page 203.

No. 8—*concluded*

—	Quantity (in thousands)						Value (in thousands of rupees)					
	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Furniture and cabinetware	—	—	—	—	—	—	21,53	14,75	25,71	21,35	15,95	12,71
Boots and shoes . . . pairs	2,323	1,170	604	1,183	835	561	56,73	41,31	40,50	22,40	15,45	10,35
Jewellery also plate of gold and silver	—	—	—	—	—	—	23,82	8,55	17,23	5,99	8,25	8,83
Fish (*excluding* canned fish) . Cwt.	205	129	119	76	94	101	30,93	20,14	22 47	6,70	6,89	7,30
Hides and skins, tanned . . Tons	..	..	..	..	..	.	12,83	15,40	10,59	17,77	12,18	7,10
Jute, raw . . . . Tons	..	..	..	..	..	1	12	66	26	9	12	55
„ manufactures	—	—	—	—	—	—	19,37	35,08	22,14	6,32	5,81	6,23
TOTAL .	—	—	—	—	—	—	19,49	35,74	22,40	6,41	5,93	6,78
Cordage and rope . . . Cwt.	23	25	15	19	16	19	9,96	15,07	11,64	8,74	7,35	6,71
Ivory	—	—	—	—	—	—	25,62	23,55	34,65	7,68	9,77	6,66
Oil-cloth and floor-cloth . Sq. yds.	1,444	1,121	634	1,238	819	642	9 28	9,83	11,98	7,74	5,58	4,24
Coal and coke . . . . Tons	455	133	630	84	44	18	80,89	30 41	2,25,39	16,65	8,05	2,64
Pitch and tar . . . . Cwt.	290	219	103	46	57	50	11,83	12 46	8,16	1,73	2,09	2,38
Postal articles not specified . .	—	—	—	—	—	—	1,69,59	2,77,81	4,41,85	2,40,45	1,92,80	1,76,44
Dutiable baggage not otherwise specified. (c)	—	—	—	—	—	—	—	—	—	14,98	14,94	14,20
All other articles	—	—	—	—	—	—	1,55,09	2,58,13	5,42,81	5,65,34	4,69,26	7,64,12
TOTAL VALUE OF IMPORTS .	—	—	—	—	—	—	145,84,72	147,30,19	254,04,73	173,78,57	152,32,75	165,27,49
	Government Stores.											
Railway plant and rolling stock—												
Carriages and wagons . . .	—	—	—	(b)	(b)	(b)	1,10,86	58.01	1,81,63	(b)	(b)	(b)
Locomotive engines and tenders	—	—	—				68,98	41.56	90,44			
Rails and fishplates (a) . . Tons	56	10	..				55,72	11,29	..			
Materials for construction . „	—	—	6				44.03	14,12	8,77			
TOTAL .	—	—	—				2,79,59	1,24,98	2,80,84			

Arms, ammunition and military stores	—	—	—	—	—	—	24,22	1,05,58	54,86	60,36	67,90	60,50
Metals and ores—												
Iron and steel . . . Tons	25	19	22	6	8	6	35,10	46,50	76,30	15,62	17,86	12,19
Copper . . . Cwt.	31	79	43	56	54	65	16,40	56,62	33,37	21,17	21,60	24,03
Others . . . Tons	2	3	2	1	1	3	10,60	38,74	26,82	17,71	10,02	23,88
TOTAL ,,	28	26	26	10	12	12	62,10	1,41,86	1,36,49	54,50	49,48	60,10
Machinery and millwork .	—	—	—	—	—	—	28,15	27,37	1,11,38	42,10	45,54	51,82
Instruments, apparatus and appliances	—	—	—	—	—	—	18,16	37,75	68,06	22,21	24,71	21,71
Textiles—												
Cotton manufactures . . .	—	—	—	—	—	—	4,78	51,34	23,93	4,06	2,36	2,41
Flax	—	—	—	—	—	—	4,09	43,64	11,91	6,03	5,08	2,45
Wool manufactures . . .	—	—	—	—	—	—	6,56	1,12,63	24,57	9,01	3,16	2,26
TOTAL .	—	—	—	—	—	—	15,43	2,07,61	60,41	19,10	10,60	7,12
Hardware and cutlery	—	—	—	—	—	—	29,59	64,48	82,03	9,46	8,34	6,70
Chemicals	—	—	—	—	—	—	5,39	22,39	10,33	5,05	11,49	6,64
Drugs and medicines . .	—	—	—	—	—	—	7,08	15,13	28,95	3,47	4,22	4,51
Carriages and carts (*excluding* railway carriages and parts).	—	—	—	—	—	—	2,15	11,69	86,09	1,03	8	1,33
Stationery	—	—	—	—	—	—	9,69	22,22	40,00	1,83	83	1,12
Ships, parts of (*including* launches and boats).	—	—	—	—	—	—	1,95	27,77	12,87	..	39	11
Telegraphs, materials for construction of	—	—	—	—	—	—	11,82	17,95	43,51	3	..	1
Coal and coke . . . Tons	71	10	141	1	..	..	15,17	4,08	53,92	15	..	..
All other articles	—	—	—	—	—	—	71,79	3,14,27	2,30,53	1,24,23	95,03	1,45,72
TOTAL VALUE OF GOVERNMENT STORES	—	—	—	—	—	—	5,82,28	11,45,13	13,00,27	3,43,52	3,18,61	3,67,39

(*a*) Transferred to "Iron or Steel" from 1925-26. (*b*) Discontinued from April, 1928.
(*c*) Separately recorded from 1936-37.
*See Note (2) on page 203.

No. 9.—Imports of cotton twist and yarn from principal countries.

(In thousands of lbs.)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
From United Kingdom	37,050	24,674	25,702	6,632	4,681	2,829
„ Hongkong	25	19	193	96	174	49
„ Netherlands	1,360	627	279	..	..	..
„ Switzerland	1,132	339	604	15	8	11
„ Italy	607	297	287	5	3	4
„ China	15	214	537	527	10,405	10,792
„ Japan	458	7,424	16,786	14,644	21,169	27,164
„ Other countries	1,147	469	293	79	19	283
Total .	41,794	34,063	44,681	21,998	36,459	41,132

No. 10.—Imports of cotton twist and yarn by counts.

(In thousands of lbs.)

Articles	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Percentage of total in 1939-40
Nos. 1 to 20	1,375	2,191	6,957	268	618	844	2·1
„ 21 to 30	4,374	3,198	3 526	466	288	209	0·5
„ 31 to 40	23,213	17,530	20,580	2,582	5,948	3,199	7·8
Above No. 40	7,602	5,945	6,291	4,327	5,548	7,318	17·8
Two-folds (doubles) . .	—	—	3,973	14,337	24,039	29,547	71·8
Unspecified descriptions .	5,230	5,199	3,324	18	18	15	..
Total .	41,794	34,063	44,681	21,998	36,459	41,132	100

* See Note (2) on page 203.

No. 11.—Imports of cotton twist and yarn from 1937-38 to 1939-40 by classes from the principal supplying countries.

(In thousands of lbs.)

—	1937-38	1938-39	1939-40
Counts 1-20—			
From United Kingdom	245	614	698
„ Japan	..	..	17
„ China	..	..	..
Total (all countries)	268	618	844
Counts 21-30	466	288	209
Counts 31-40—			
From United Kingdom	2,232	1,364	700
„ Japan	333	2,980	2,[illegible]37
„ China	10	1,596	132
Total (all countries)	2,582	5,918	3,199
Above 40—			
From United Kingdom	3,381	2,118	1,155
„ Japan	856	1,648	3,940
„ China	46	1,692	2,079
Total (all countries)	4,327	5,548	7,318
Two-folds—			
From United Kingdom	309	287	67
„ Japan	13,444	16,534	20,845
„ China	472	7,117	8,572
Total (all countries)	14,337	24,039	29,547
Unspecified descriptions	18	18	15
Total of cotton twist and yarn	21,998	36,459	41,132

No. 12.—Imports of cotton piecegoods.

(In thousands of yards)

Countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Grey.						
From United Kingdom	1,315,997	815,107	568,882	23,980	30,227	8,879
„ Japan	2,559	81,171	96,727	108,922	227,227	223,234
„ United States of America	10,405	7,356	7,994	118	57	39
„ Other countries	2,056	1,150	3,225	60	131	3,585
Total	1,331,017	904,874	676,828	133,080	257,642	235,737
White.						
From United Kingdom	642,871	510,036	363,444	128,672	102,329	82,050
„ Netherlands	7,606	3,824	4,404	1,156	1,089	677
„ Switzerland	2,606	762	1,736	6,058	4,116	3,694
„ Japan	48	3,323	2,623	64,889	69,887	43,031
„ Other countries	1,124	946	1,362	1,428	1,714	4,221
Total	654,255	518,891	373,569	202,203	179,135	133,673
Coloured, etc.						
From United Kingdom	590,462	350,826	254,563	113,956	72,980	53,638
„ Netherlands	15,219	8,788	6,997	22	13	12
„ Belgium	4,082	548	812	40	48	53
„ Switzerland	2,655	1,734	1,539	3,273	1,616	777
„ Italy	10,320	9,111	4,183	898	671	491
„ Straits Settlements	1,458	666	1,353	5	68	10
„ Japan	521	13,095	14,049	132,234	127,694	127,109
„ Other countries	6,835	1,509	1,927	5,087	7,397	27,508
Total	631,552	386,277	285,423	255,515	210,487	209,593
Total of cotton piece-goods.						
From United Kingdom	2,549,330	1,676,059	1,186,889	266,608	205,536	144,562
„ Netherlands	23,748	12,755	11,460	1,177	1,102	689
„ Belgium	4,122	551	821	44	48	53
„ Switzerland	5,257	2,498	3,275	9,332	5,731	4,471
„ Italy	10,517	9,162	4,297	1,292	1,008	828
„ Aden and Dependencies	118	123	1,168	..	..	5
„ Burma	—	—	—	3,665	7,218	13,973
„ Straits Settlements	2,008	903	1,546	28	225	22
„ China	708	892	2,368	8	8	19,977
„ Japan	3,128	97,589	113,399	306,[1]	424,808	393,374
„ United States of America	10,486	7,911	8,421	608	265	479
„ Other countries	7,312	1,599	2,176	1,991	1,320	570
Total	2,616,824	1,810,042	1,335,820	590,798	647,264	579,003

[1] See Note (2) on page 203.

No. 13.—Imports of woollen piecegoods.

(In thousands of Rupees)

Countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
United Kingdom	1,46,44	1,21,58	1,53,84	40,95	22,88	17,65
Germany	39,83	3,02	7,18	5,42	2,09	48
Netherlands	3,09	1,26	3,61	8	3	1
Belgium	1,78	31	4,20	6	10	2
France	10,85	3,35	7,80	26	10	13
Italy	83	18	2,07	7,88	4,10	2,22
Japan	2	6,30	8,16	56,68	14,60	14,10
Other countries	3,94	1,64	1,90	1,19	1,09	23
Total	2,06,78	1,37,64	1,88,71	1,12,52	45,08	34,84

* See Note (2) on page 203.

No. 14.—Imports of raw silk, silk yarn and silk piecegoods.

(In thousands of Rupees)

Articles and Countries.	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Imports of silk, raw—						
China*	83,44	82,92	1,19,57	31,09	32,27	41,73
Japan	8	32	2,79	57,24	11,75	..
Hongkong	23,69	16,83	21,13	2,97	5,82	20,67
Burma	—	—	—	2,73	9,48	16
Other countries	10,04	9,94	6,41	64	2,85	16
Total	1,17,25	1,10,01	1,49,90	94,67	62,17	62,72
Imports of silk yarn—						
United Kingdom	4,27	3,98	1,95	45	3	..
France	65	20	1,08	12	..	12
Switzerland	57	29	31	..	9	1,48
Italy	14,22	3,55	14,56	6,58	4,81	2,44
China*	2,75	5,07	9,90	5,49	4,22	9,44
Japan	17,38	20,11	30,29	47,77	22,01	10,55
Other countries	1,35	3	20	77	97	24
Total	41,19	42,23	58,29	61,18	32,16	24,27
Imports of silk piecegoods—						
United Kingdom	3,86	4,13	5,19	39	17	18
France	8,87	3,65	2,63	17	15	14
China*	53,54	73,94	1,34,98	11,76	16,90	18,66
Japan	1,13,57	1,17,93	1,77,63	73,06	45,02	30,71
Other countries	2,38	1,86	4,15	4,41	5,21	4,64
Total	1,82,22	2,01,51	3,24,58	89,87	67,45	54,33

* Includes Hongkong prior to 1936-37.
(a) See Note (2) on page 203.

No. 15.—Imports and declared values of iron and steel.

(Quantities in hundreds of tons)

Articles	1913-14			1937-38			1938-39			1939-40		
	Quantity	Value	Value per ton	Quantity	Value	Value per ton	Quantity	Value	Value per ton	Quantity	Value	Value per ton
		R (lakhs)	R		R (lakhs)	R		R (lakhs)	R		R (lakhs)	R
Sheets and Plates—												
Galvanised	277,6	5 38	194	42,8	97	228	25,7	59	230	15,6	38	243
Tinned	52,8	1,25	237	7,4	29	389	14,0	49	349	6,5	25	382
Not galvanised or tinned	100,6	1,23	123	23,8	46	195	26,0	52	199	16,7	34	203
Iron bars and channels	26,7	35	130	1,1	3	249	8	2	318	5	2	295
Bars (Steel)	204,6	2,07	101	51,2	97	189	17,0	44	256	21,0	42	199
Beams, channels, pillars, girders and bridgework.	89,6	1,16	129	26,4	41	154	18,7	31	164	10,0	16	161
Cast pipes and fittings	56,2	91	161	1,4	7	493	2,5	9	352	2,5	9	343
Steel, angle tee and spring	44,2	47	106	15,1	23	151	10,2	17	166	7,0	12	165
Wrought tubes, pipes and fittings	18,4	46	253	41,4	1,07	259	34,3	1,04	303	32,5	1,01	311
Hoops and strips	30,8	42	140	48,5	86	177	24,4	49	199	33,2	73	227
Nails, rivets and washers	25,1	50	200	15,3	46	298	11,2	34	308	8,9	38	426
Rails, chairs and fishplates (*including* those for railways)(*a*).	17,8	19	112	7,5	11	149	11.5	15	128	10,1	11	115
Wire other than fencing wire	9,8	24	245	8,4	22	259	9,2	24	258	10,1	25	252
Wire nails	—	—	—	6,2	15	244	4,9	11	221	5,6	13	240
Wire rope	—	—	—	4,3	24	552	3,2	21	657	3,3	22	661
Bolts and nuts	7,4	23	308	10,5	35	332	8,8	32	359	5,7	22	386
Other sorts	56,6	1,14	201	57,2	1,32	234	49,8	1,15	235	71,3	1,26	176
Total	1,018,2	16,01	157	368,5	8,21	224	272,2	6,68	245	260,5	6,09	234

(*a*) Figures for 1913-14 exclude rails, chairs and fishplates for railways.

No. 16.—Imports of iron and steel by principal countries.

(In tons)

Articles and countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
(i) Pig-Iron—						
United Kingdom	12,471	2,754	6,578	1,759	2,089	971
Continent	32	9	3,889	100	688	99
Other countries	378	3	86	..	1	536
Total	12,881	2,766	10,553	1,859	2,778	1,606

(In lakhs of Rupees)

(ii) Manufactured Iron and Steel (excluding pig-iron and old for re-manufacturing)—						
United Kingdom	7,58	5,50	13,16	4,15	3,69	2 76
Continent	2,91	56	4,14	2,94	2,13	1,79
United States of America	39	2 83	3,43	44	25	42
Other countries	20	68	11	65	55	1,08
Total	11,08	9,57	20,84	8,18	6,62	6,05

No. 17.—Imports of metals (excluding iron and steel).

(In thousands of Rupees)

Articles and Countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939 40
Copper (excluding ore)—						
United Kingdom	1,67,45	24,78	1,14,05	47,03	13,41	24,01
Japan	27,99	30,21	8,31	7,32	1,07	10,08
France	12,93	5,37	3,69	1,12	2	3,10
Germany	98,41	4,44	20,20	37,58	13,42	12,40
Belgium	3,54	66	1,52	2,80	1,34	1,25
Other countries	1,68	5,25	43,72	43,94	32,15	58,03
Total	3,07,00	70,71	1,91,49	1,39,79	61,41	1,08,87
Tin—						
United Kingdom	5,73	2,73	4,12	1,10	75	67
Straits Settlements	44,54	40,53	63,18	79,92	62,84	1,10,62
Burma	—	—	—	3,94	6,11	9,52
Other countries	1,60	1,35	1,73	52	96	49
Total	51,87	44,61	69,03	85,48	70,66	1,21,30
Zinc—						
United Kingdom	14,85	5,34	21,60	2,95	5,22	7,66
Belgium	3,75	24	4,81	13,46	11,01	17,62
Japan	..	12,03	59	2,03	..	..
Germany	3,23	24	1,38	10,60	3,35	3,24
Other countries	28	5,04	1,78	47,71	36,78	29,73
Total	22,11	22,89	30,16	76,81	56,36	58,27

* See Note (2) on page 203.

No. 17.—Imports of metals (excluding iron and steel)—*continued.*

(In thousands of Rupees)

Articles and Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Lead (excluding ore)—						
United Kingdom	13,90	19,59	14,56	6,88	4,88	4,78
Burma	—	—	—	20,61	14,35	34,95
Other countries	4,42	10,59	4,74	1,38	1,11	97
Total	18,41	30,18	19,30	28,87	20,34	40,65
Aluminium—						
United Kingdom	5,38	2,51	23,80	19,75	16,88	8,42
Germany	12,16	1,15	16,45	12,91	9,97	3,84
United States of America	4,26	3,45	9,12	12	12	34
Other countries	1,65	3,66	18,59	19,92	19,38	12,96
Total	23,45	10,77	67,96	52,70	46,30	25,56
Brass—						
United Kingdom	6,13	27,28	1,95,42	30,80	41,42	36,84
Germany	1,58	11,74	55,41	40,75	57,80	27,07
Other countries	3,94	39,56	44,84	15,26	6,44	8,81
Total	11,65	78,58	2,75,67	86,81	1,05,66	72,72
Other metals—						
United Kingdom	20,54	14,27	18,27	16,23	17,59	15,28
Burma	—	—	—	2,52	2,52	1,05
Other countries	3,37	5,87	10,38	26,84	34,88	29,87
Total	24,41	20,14	28,65	45,59	54,99	46,20
Total metals (excluding ores and Iron and Steel).	4,58,90	2,77,88	6,82,26	5,16,05	4,15,72	4,73,57

No. 18.—Imports of machinery and millwork.

(In thousands of Rupees)

Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	4,97,69	4,20,36	17,60,27	10,89,94	11,20,96	8,92,55
United States of America	24,56	66,81	3,10,76	1,35,80	2,11,56	2,49,33
Japan	68	13,47	6,01	49,16	30,38	18,95
Italy	1,44	2,37	4,27	15,36	24,16	18,87
Germany	30,27	2,49	38,88	2,57,72	3,06,07	1,37,65
Other countries	6,55	8,37	44,65	1,66,95	2,10,75	1,49,60
Total	5,61,14	5,13,87	21,64,84	17,14,93	19,04,73	14,66,95

No. 19.—Imports of mineral oils.

(In thousands of Rupees)

Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Burma	—	—	—	9,77,78	7,64,08	8,28,95
United States of America	2,19,66	2,54,31	4,81,84	1,28,91	86,47	1,45,94
Borneo	53,76	62,34	1,24,31	64,28	1,06,95	1,16,11
Iran	4,09	31,11	1,08,48	2,01,51	3,35,55	2,86,96
Straits Settlements	15,52	18,84	29,15	12,07	24,82	49,89
United Kingdom	22,31	26,13	33,21	34,17	34,89	19,81
Sumatra	11,78	3,78	2,22	1,57,08	12,97	49,70
Germany	17,89	3,48	6,87	16,21	4,77	3,05
U. S. S. R.	19,86	54	2,88	69,20	9,63	1
Georgia	—	—	11,92*			
Other countries	7,16	1,77	1,98	29,24	87,27	2,12,19
Total	3,72,03	4,02,30	8,02,86	17,45,45	14,67,40	17,12,61

* Average for 3 years ending 1923-24.

(a) See Note (2) on page 203.

No. 20.—Imports of motor cars, cycles, omnibuses and accessories.

(In thousands of Rupees)

Articles and Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Motor cars—						
United Kingdom	77,27	23,67	80,55	1,28,50	1,01,82	1,08,24
United States of America	21,03	46,23	1,66,45	94,52	61,46	64,65
Canada	..	..	35,20	27,84	18,24	19,87
Italy	29	1,89	9,47	4,26	4,81	4,44
France	4,89	2,22	6,67	2,71	1,82	2,23
Other countries	9,97	90	13,94	40,42	25,95	7,45
Total	1,13,45†	74,91	3,12,28	2,98,25	2,17,10	2,06,88
Motor cycles—						
United Kingdom	10,28	5,10	13,47	2,63	1,80	1,71
Other countries	40	1,26	5,95	2,05	2,66	1,78
Total	10,68†	6,36	19,42	4,68	4,46	3,49
Motor omnibuses—						
United Kingdom	3,55	2,70	22,87	46,92	18,84	11,59
United States of America	66	2,70	29,66	1,22,43	67,99	1,36,25
Italy	..	84	5,21	..	1	5
Canada	..	..	6,18	26,96	27,72	55,14
Other countries	1,50	15	5,69	10,49	3,85	1,53
Total	5,71†	6,39	69,61	2,06,85	1,18,41	2 04,56
Parts of motor cars and motor cycles, etc., and accessories—						
United Kingdom	22,74	13,20	30,05	37,76	36,97	33,35
United States of America	1,08	9,45	37,73	45 85	31,96	46,79
France	2,12	48	79	20	27	11
Other countries	5,36	66	9,25	18,24	18,57	23,03
Total	31,30*	23,79	77,82	1,02,05	87,77	1,03,28
Total motor cars, etc., and parts—						
United Kingdom	71,50	44,70	1,46,96	2,15,81	1,59,43	1,54,89
United States of America	8,49	59,43	2,38,93	2,63,06	1,64,52	2,47,79
Italy	66	2,84	15,32	4,70	5,19	5,02
France	5,94	2,73	9,39	3,10	2,09	2,33
Germany	5,64	..	4,89	50,50	34,78	10,19
Belgium	4,15	36	9,53	1	9	7
Canada	..	..	46,30	64,09	55,67	92,91
Other countries	1,26	1,39	7,81	10,56	5,97	5,00
Total	1,00,64	1,11,45	4,79,13	6,11,83	4,27,74	5,18,22

* Average for 2 years, 1912-13 and 1913-14.

† The figures represent those for 1913-14 only.

(a) See Note (2) on page 203.

No. 21.—Imports of hardware, excluding cutlery, etc.

(In thousands of Rupees)

Countries	Pre war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
United Kingdom	1,88,61	1,50,00	3,12,04	1,13,06	97,65	85,83
Burma	—	—	—	4,23	4,38	3,66
United States of America	24,72	60,27	1,22,35	26,16	22,41	32,18
Japan	3,59	46,68	46,00	30,26	20,81	24,60
Sweden	2,57	4,56	13,03	17,94	16,43	15,28
Germany	57,24	5,70	59,16	1,13,19	74,61	47,99
Austria	27,28	2,25	4,51	3,90	2,15	1,21
Hungary				95	99	1,16
Czechoslovakia				8,73	6,71	1,39
Belgium	5,58	51	2,74	2,79	2,55	2,96
Other countries	7,45	9,48	18,99	10,01	8,58	10,60
Total	3,17,04	2,79,45	5,78,82	3,31,22	2,57,27	2,26,86

No. 22.—Imports of sugar (excluding molasses and confectionery).

(In hundreds of tons)

Countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
United Kingdom	7	4	7	3	4,2	13,5
Hungary	..	..	11,3	..	..	..
Straits Settlements	1,7	28,5	7,5	..	..	3
Hongkong	4,4	5,7	6,5	2,0	3,0	2,4
Mauritius and Dependencies	128,8	56,7	25,9	..	..	..
Java	453,0	367,2	382,8	10,3	24,5	233,2
Japan	2	5,7	4	5	..	..
Belgium	1	..	4,4	..	1	..
Other countries	44,6	8,1	4,0	1,3	1,7	2,3
Total	633,5	472,3	443,5	14,4	33,5	251,7

No. 23.—Imports of cement.

(In hundreds of tons)

Countries	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
United Kingdom	108,0	69,7	94,2	25,5	19,4	9,9
Japan	..	14,8	6,6	4,9	4	4
Hongkong	2,2	7,3	3,6	..	..	..
Italy	1,3	7	9	3	1	1
Other countries	18,8	2,9	13,6	1,2	1,3	9
Total	130,3	95,4	118,9	31,9	21,2	11,3

* See Note (2) on page 203.

No. 24.—Quantity and value of the Principal Articles of Exports, arranged in the order of their importance

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Jute, raw	Tons	764	464	554	747	600	568	22,20,24	12,90,28	19,52,77	14,71,90	13,39,67	19,73,18
" manufactures—													
Gunny bags—													
Hessian (b)	No.	339,122	667,660	98,105	132,774	143,490	745,638	9,39,10	19,17,96	3,18,81	2,07,39	2,00,50	8,66,32
Sacking (b)	"			806,154	479,486	454,946	464,545			14,91,81	11,09,68	10,45,24	16,77,24
Gunny cloth—													
Hessian (b)	Yds.	969,071	1,156,114	1,230,834	1,599,518	1,507,208	1,514,607	10,75,75	20,72,89	23,82,48	14,84,92	12,82,99	21,53,34
Sacking (b)	"			39,471	43,564	42,520	45,871			89,93	51,79	51,27	86,22
Rope and twine	Cwt.	64	76	62	158	176	202	9,62	19,65	15,05	19,64	22,31	34,31
Other kinds		—	—	—	—	—	—	40	8,81	17,59	34,34	23,80	51,35
TOTAL		—	—	—	—	—	—	42,45,11	52,99,59	62,68,44	43,79,66	39,65,78	68,41,96
Cotton, raw	Tons	430	391	521	488	483	526	33,27,83	33,63,19	64,73,89	29,02,97	23,85,89	30,10,80
" waste (a)	Cwt.	—	—	312	459	550	604	—	—	73,02	74,28	80,76	93,35
" manufactures—													
Piecegoods, Grey	Yds.	47,414	74,576	42,515	90,342	68,609	79,894	73,84	1,43,11	1,68,32	1,91,78	1,31,40	1,60,01
" Coloured	"	42,384	80,377	121,243	135,212	98,209	128,017	1,33,37	2,76,41	5,72,18	4,22,84	3,25,09	4,19,88
Twist and yarn	lb.	192,844	129,685	82,166	40,124	37,960	36,943	9,13,45	7,18,93	9,05,70	2,02,54	1,87,81	1,79,40
Other sorts		—	—	—	—	—	—	19,87	29,26	76,25	1,12,15	67,49	98,29
TOTAL		—	—	—	—	—	—	44,68,36	45,35,90	82,69,36	39,06,56	31,78,44	39,61,73
Tea	lb.	266,497	322,691	321,169	334,225	348,050	356,695	13,06,78	17,54,57	20,92,42	24,38,69	23,29,05	26,07,78
Seeds—													
Essential	Tons	10	8	9	10	11	8	20,57	24,16	35,88	25,55	22,66	20,47
Non-essential—													
Linseed	"	379	270	251	227	318	219	7,98,90	4,94,94	7,57,72	3,56,80	4,40,45	3,17,61
Groundnut	"	212	119	195	619	835	549	3,52,57	1,91,17	5,61,97	8,93,30	9,92,72	7,19,01
Rapeseed	"	273	91	206	32	12	22	4,14,69	1,43,01	5,07,37	46,43	15,82	32,77
Sesamum (til or jinjili)	"	119	33	28	10	8	4	2,48,15	67,35	1,02,73	19,18	14,81	7,49
Castor	"	114	89	48	42	8	40	1,66,43	1,57,55	1,14,54	64,09	10,06	71,18
Copra	"	31	16	7	..	..	..	1,10,43	60,73	28,84	45	38	38

(a) Separately recorded from December, 1918.
(b) Separately recorded from 1916-17, but has been shown as such from the post-war period.
* See Note (2) on page 203.

No. 24—*continued*

—	Quantity (in thousands)						Value (in thousands of Rupees)					
	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Seeds—*contd.*												
Non-essential—*contd.*												
Cotton . . . . Tons	240	69	155	5	..	2	1,79,98	50,25	1,88,05	3 07	36	3,55
Mustard . . . . ,,	4	3	2	3	3	3	10,08	9,16	9,75	4,39	4,17	6,65
Mowa . . . . ,,	29	3	8	..	..	..	42,53	3,04	12,79	4	7	..
Poppy . . . . ,,	33	5	6	..	..	..	69,41	9,58	20,97	34	29	20
Other sorts . . . . ,,	9	2	8	3	4	4	23,23	6,48	13,03	5,01	7,43	10,22
TOTAL . ,,	1,453	708	923	951	1,199	851	24,36,97	12,17,42	23,53,64	14,18,65	15,09,22	11,89,53
Leather—												
Cow hides . . . . Tons	(a)	16	10	14	12	21	(a)	4,15,98	2,84,00	2,54,50	1,81,54	3,34,28
Buffalo hides . . . . ,,		1	1	1	1	3		21,48	16,02	21,26	14,62	38,66
Goat skins . . . . ,,		3	1	3	3	3		1,42,53	1,03,59	1,63,19	1,22,20	1,17,60
Sheep skins . . . . ,,		2	3	3	3	3		1,20,69	1,85,47	1,59,82	1,24,89	1,44,97
Other kinds		—	—	—	—	—		18,61	35,16	1,26,65	84,33	1,38,62
TOTAL . ,,	—	—	—	—	—	—	4,29,58	7,19,24	6,24,24	7,25,42	5,27,58	7,69,13
Grain, pulse and flour—												
Rice (in the husk) . . Tons	42	32	35	1	3	4	27,18	20,09	31,36	50	1,62	2,87
Rice (not in the husk) . . ,,	2,398	1,685	1,462	227	282	262	25,66,55	18,88,25	24,33,66	2,61,24	3,16,53	3,19,05
Wheat . . . . ,,	1,308	807	237	460	279	8	13,96,86	10,33,41	3,56,61	4,62,39	2,48,42	10,20
Wheat flour . . . . ,,	55	57	56	62	61	50	86,99	1,13,20	1,50,26	89,46	77,80	68,19
Pulse . . . . ,,	159	129	141	86	81	73	1,29,81	1,88,52	2,02,78	97,65	92,41	95,29
Barley . . . . ,,	227	198	40	35	9	..	1,93,16	2,21,73	46,56	28,52	7,51	72
Jowar and bajra . . . . ,,	41	41	11	4	24	7	37,60	44,15	17,39	5,06	25,66	7,45
Other sorts . . . . ,,	181	192	27	3	3	4	1,42,96	2,32,45	34,03	4,07	4,17	3,60
TOTAL . ,,	4,411	3,141	2,009	878	742	408	45,81,11	37,41,80	32,82,65	9,48,89	7,74,12	5,07,37

Metals—													
Iron and steel	Tons	42	61	95	717	599	675	22,41	34,96	79,04	3,38,03	3,20,63	4,14,82
Other metals	"	10	11	38	7	6	4	31,81	47,42	1,36,41	25,39	21,75	19,16
TOTAL OF METALS	"	52	72	133	724	605	679	54,22	82,38	2,15,45	3,58,42	3,42,38	4,33,98
Ores—													
Manganese ore	Tons	607	474	648	1,001	456	719	98,64	88,94	1,45,19	2,21,29	1,07,25	1,82,74
Others	"	12	21	37	179	448	147	16,18	1,00,69	58,89	32,89	41,41	28,52
TOTAL OF ORES	"	619	495	685	1,180	904	866	1,14,82	1,89,63	2,04,08	2,54,18	1,48,66	2,11,26
Hides and skins, raw—													
Cow hides	Tons	(a)	24	24	17	13	10	(a)	3,70,78	2,78,69	1,22,76	87,42	68,32
Buffalo hides	"		8	5	4	2	2		1,11,07	46,72	29,68	12,33	9,48
Goat skins	"		21	21	19	19	19		4,39,66	5,79,19	3,07,27	2,56,71	3,07,78
Calf skins	"		1	1	..	..	..		22,68	16,51	4,57	2,36	1,46
Other kinds	"		3	2	12	5	4		44,07	24,38	39,82	25,85	21,81
TOTAL	"	78	57	53	52	39	35	10,31,60	9,88,21	9,45,49	5,04,10	3,84,67	4,08,85
Wool, raw	lb.	54,573	49,688	36,203	37,989	55,416	53,208	2,68,39	3,89,61	3,28,07	2,64,56	2,98,68	3,23,34
" manufactures—													
Carpets and rugs	"	1,775	1,254	3,283	11,061	8,945	8,273	23,16	19,09	77,98	1,02,47	81,56	73,72
Other sorts		—	—	—	—	—	—	2,84	2,12	2,86	5,34	4,71	7,28
TOTAL		—	—	—	—	—	—	2,94,39	4,10,82	4,08,91	3,72,37	3,84,95	4,04,34
Tobacco—													
Unmanufactured	lb.	20,427	24,046	25,934	42,460	60,143	57,627	23,27	41,56	73,47	1,17,62	2,00,87	1,80,68
Cigars	"	1,535	1,260	480	38	34	55	13,01	11,23	6,09	61	68	81
Others	"	384	611	952	9,584	4,966	4,290	63	3,44	5,34	81,33	74,08	71,32
TOTAL	"	22,346	25,917	27,366	52,082	65,143	61,972	36,91	56,23	84,90	1,99,61	2,75,63	2,52,81
Fruits and Vegetables—													
Fresh		—	—	—	—	—	—	24,81	34,63	41,03	59,80	65,74	75,11
Dried, salted or preserved	Tons	11	10	10	23	31	29	21,82	22,57	23,21	1,48,39	1,61,12	1,61,83
TOTAL		—	—	—	—	—	—	46,63	57,20	64,24	2,08,19	2,26,86	2,36,94

(a) Detailed figures not available.
* See Note (2) on page 203.

No. 24—*continued*

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Oilcakes	Tons	140	117	136	357	447	288	1,06,37	94,95	1,60,61	2,42,58	3,01,20	2,02,92
Coal and coke	Tons	825	526	434	1,023	1,341	2,009	75,77	48,46	57,24	98,97	1,36,25	1,93,35
Lac	Cwt.	434	345	416	665	644	755	2,20,15	2,57,06	8,41,80	1,62,18	1,26,65	1,88,57
Mica	"	29	50	60	294	162	217	35,87	57,45	79,56	1,48,40	1,14,12	1,72,57
Oils—													
Essential	Gals.	46	51	77	116	118	124	11,88	22,84	47,09	25,61	20,13	25,18
Mineral	"	13,172	24,639	23,403	87	142	58	13,93	24,72	2,35,24	61	1,02	42
Vegetable—													
Castor	"	1,114	1,564	396	1,584	1,103	1,254	15,22	28,22	10,39	24,66	17,08	23,67
Coconut	"	1,737	3,259	1,720	80	72	51	31,15	65,38	50,93	1,31	1,13	90
Others	"	1,175	2,045	1,405	3,295	4,986	5,918	19,72	46,06	34,64	48,84	64,01	87,30
TOTAL	"	17,244	31,558	27,001	5,160	6,421	7,405	91,90	1,87,22	3,78,29	1,01,03	1,03,37	1,37,47
Coir	Tons	36	23	32	37	35	44	80,25	54,03	1,02,01	1,04,44	96,01	1,28,24
Spices—													
Pepper	Cwt.	117	123	96	17	17	19	38,53	53,52	35,91	3,92	3,39	3,92
Chillies	"	124	126	151	155	129	268	20,43	27,23	42,20	30,76	20,99	43,39
Ginger	"	75	55	59	31	54	54	19,95	12,61	18,88	9,81	12,99	12,43
Others	"	9	11	12	163	187	177	6,97	9,99	15,31	48,99	41,29	48,19
TOTAL	"	325	315	318	366	387	518	85 88	1,03,35	1,12,30	93,48	78,66	1,07,93

Rubber, raw	lb.	1,120	7,728	13,111	17,755	17,218	21,544	38,70	1,58,13	1,17,60	83,83	71,58	93,76
Hemp, raw	Cwt.	509	561	455	830	816	741	78,27	1,17,87	90,44	74,50	71,98	85,90
Coffee	"	255	216	226	135	185	168	1,37,52	1,18,09	1,46,90	54,59	75,11	73,15
Dyeing and tanning substances—													
Indigo	Cwt.	15	31	19		..	.	29,92	1,57,35	52,46	72	41	17
Myrobalans	"	1,399	1,058	1,331	1,130	1,2[illegible]	1,209	59,78	56,51	69,48	44,35	40,01	42,50
Turmeric	"	92	78	59	73	73	120	11,08	12,31	11,38	10,06	10,18	18,63
Others	"	107	94	106	12	83	98	14,13	14,90	18,39	11,74	8,51	9,46
TOTAL	"	1,613	1,261	1,503	1,[illegible]	1,[illegible]	1,4[illegible]	1,14,91	2,41,07	1,51,71	66,87	59,11	70,76
Provisions and oilman's stores—													
Ghi	Cwt.	47	46	41	45	44	55	29,48	33,25	41,23	28,76	27,81	32,37
Other sorts	"	—	—	—	—	—	—	16,15	27,02	24,34	34,51	31,51	38,37
TOTAL	"	—	—	—	—	—	—	45,63	60,27	65,57	63,27	59,32	70,74
Fish (*excluding* canned fish)—													
Dry, salted	Cwt.	185	166	148	121	120	112	20,97	24,61	28,14	23,01	20,90	23,12
Fishmaws and sharkfins	"	10	8	10	[illegible]	6	6	12,38	10,65	16,44	5,04	5,16	5,40
Others	"	54	65	75	213	210	209	5,27	7,40	12,22	41,03	43,23	41,19
TOTAL	"	249	239	233	334	336	357	38,62	42,66	56,80	69,08	69,29	69,71
Manures—													
Bones	Tons	95	39	90	69	40	52	[illegible],41	28,96	94,61	51,97	26,70	30,64
Other kinds	"	22	18	28	20	13	19	13,76	24,30	40,47	16,99	10,52	17,27
TOTAL	"	117	57	118	89	53	71	79,17	53,26	1,35,08	68,96	37,22	47,91
Bristles	Cwt.	94(a)	4	3	5	5	7	16,29(a)	14,20	15,11	31,81	26,32	39,15
Drugs and medicines		—	—	—	—	—	—	19,24	30,07	36,16	27,51	27,83	33,19
Paraffin wax	Tons	12	22	26	12	9	8	54,99	97,62	1,19,06	51,34	36,25	32,98

(a) Includes figures for " Fibre for brushes and brooms ".

* See Note (2) on page 203.

No. 24—*concluded*

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Wood and timber—													
Teakwood	C. Tons	50	29	35	2	2	2	77,64	56,91	93,72	3,68	7,93	3,90
Sandal wood		—	—	—	—	—	—	13,73	9,99	8,10	10,09	6,54	9,50
Other kinds		—	—	—	—	—	—	9,05	4,44	10,18	15,73	9,19	7,86
TOTAL		—	—	—	—	—	—	1,00,42	71,84	1,12,00	29,50	23,66	21,06
Saltpetre	Cwt.	305	446	273	158	135	185	34,99	79,85	46,13	10,84	10,89	17,13
Apparel		—	—	—	—	—	—	15,44	10,67	20,81	16,12	12,62	14,59
Fibre for brushes and brooms	Tons	—	4	5	8	9	5	—	15.36	21,08	20,19	15,71	13,33
Cordage and rope	Cwt.	53	56	55	55	48	65	8,43	10,83	13,40	9,16	8,12	10,61
Sugar	Tons	11	8	18	23	51	17	16,01	21,91	56,34	39,73	24,18	7,96
Animals, living	No.	451	274	238	230	179	135	28,04	22,18	30,41	8,79	8,23	7,83
Silk, raw	lb.	1,711	1,017	1,325	450	363	423	42,73	39,68	37,88	3,11	2,38	4,44
" manufactures		—	—	—	—	—	—	7,09	5,87	4,09	3,63	1,88	3,28
TOTAL		—	—	—	—	—	—	49,82	45,55	41,97	6,74	4,26	7,72
Fodder, bran and pollards	Tons	223	129	211	16	17	10	89,73	41,86	1,20.27	9,46	8,96	4,80
Tallow, stearine and wax	Cwt.	17	13	29	9	11	8	9,48	7,93	12,06	3,61	3,27	3,22
Horns, tips, etc.	"	88	30	70	60	32	21	21,00	7,26	11,87	4,09	2,36	1,48
Candles	lb.	6,069	8,014	6,692	6	2	4	17,10	23,34	20,09	3	2	2
Opium	Cwt.	51	14	9	..	..	..	9,96,17	2,17,35	2,33,05	1	1	2
Postal articles		—	—	—	—	—	—	90,76	1,32,15	2,52,64	2,94,83	2,66,53	2,19,09
All other articles		—	—	—	—	—	—	1 06,33	1 00,37	1,60,51	3,81,74	3,52,72	4,40,19
TOTAL VALUE OF EXPORTS		—	—	—	—	—	—	219,49,73	215,96,70	286,33,39	180,92,42	162,79,16	203,43,03

* See Note (2) on page 203.

No. 25.—Quantity and value of the Principal Articles Re-exported, arranged in the order of their importance

—	Quantity (in thousands)						Value (in thousands of Rupees)					
	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40
Hides and Skins, raw . . . Tons	—	..	..	..	..	1	—	2,87	50,65	3,65,73	2 19,13	4,50,55
Wool, raw . . . . lb.	6,580	13,673	12,[illegible]03	8,619	10,556	16,357	42,50	1,02 06	98,03	27,96	31 26	57,41
„ manufactures	—	—	—	—	—	—	4,16	8,37	57,63	11,94	12,39	12,88
Total .	—	—	—	—	—	—	46,66	1 10,43	1,55,66	39,90	43,65	70,29
Sugar . . . . . Tons	27	32	55	2		24	52,95	1,12,57	3,16,23	3,93	10	55,46
Cotton, raw . . . . . Tons	..	..	3	1	3	3	14	66	66,54	3,63	15,58	13,09
„ manufactures—												
Piecegoods { Grey . . Yds.	4,763	22,013	42,979	6,816	9,048	6,675	8,40	79,27	1,95,39	12,36	15,43	10,91
Piecegoods { White . . „	9,371	14,672	9,709	3,002	2,678	2,327	17,14	46,88	4[illegible],58	7,99	5,92	5,58
Piecegoods { Coloured . „	50,796	37,888	19,066	3,074	[illegible]817	7,563	1 16 79	1,36,19	1,12,29	9,32	8,73	15,96
Twist and yarn . lb.	926	1,045	1,365	206	1,293	509	8,05	12,77	20,47	1,84	12,33	4,96
Other sorts	—	—	—	—	—	—	7,13	18,19	21,60	2,48	2,34	2,51
Total .	—	—	—	—	—	—	1,57,65	2,93,96	4,65,87	37,62	60,33	53,01
Vehicles	—	—	—	—	—	—	7,72	3,49	18,92	49 00	45,28	49,26
Metals and ores— Iron or steel . . . . Tons	19	5	7	72	42	33	10,20	10,02	14,23	40,16	20,18	20,13
Others . . . . . „	1	..	2	2	2	1	9,85	8,18	17,33	17,92	16,96	13,36
Total „	20	5	9	74	44	34	20,05	18,20	31,56	58,08	37,14	33,49

* See Note (2) on page 203.

No. 25—*continued*

—	Quantity (in thousands)						Value (in thousands of rupees)					
	Pre-war average *	War average *	Post-war average *	1937-38	1938-39	1939-40	Pre-war average *	War average *	Post war average *	1937-38	1938-39	1939-40
Hardware	—	—	—	—	—	—	13,89	11,83	27,08	24,18	24,45	20,26
Machinery and millwork	—	—	—	—	—	—	5,68	4,89	16,42	18,37	17,96	17,36
Silk—												
Raw . . . . lb.	47	49	79	15	16	27	1,23	2,00	4,98	60	35	84
Manufactures—												
Piecegoods . . . . Yds.	776	97	823	1,672	1,218	1,135	6,37	11,67	14,98	12,55	9,38	7,97
Other sorts	—	—	—	—	—	—	66	2 41	3,94	9,51	8,10	6,29
TOTAL .	—	—	—	—	—	—	8,26	16,08	23,90	22,66	17,83	15,10
Fruits and vegetables	—	—	—	—	—	—	13,11	42,13	53,65	15,30	11,37	9,07
Apparel (excluding hosiery, boots, and shoes)	—	—	—	—	—	—	15,89	13 89	48,22	7,73	9,38	5,90
Gums and resins . . . Cwt.	53	43	51	21	25	23	10 54	13,59	23,04	4,27	4,35	4,76
Haberdashery and millinery .	—	—		—	—	—	—	3,95	8,42	5,63	5,35	3,89
Rubber manufactures . . .	—	—	—	—	—	—	1,12	90	3,81	5,29	3,39	3,24
Postal articles	—	—	—	—	—	—	16,24	23,85	45,16	1,62	1,57	1,53
All other articles . .	—	—	—	—	—	—	92,12	1,41,75	2,76,45	1,68,82	1,41,08	1,71,34
TOTAL VALUE OF RE-EXPORTS .	—	—	—	—	—	—	4,61,88	8,14,38	15,64,74	8,28,13	6,42,36	9,64,41

* See Note (2) on page 203.

No. 26.—Percentage of Exports of Certain Principal Crops to Total Production.

—	Pre-war average *	War average *	Post-war average *	1938-39	1939-40
Rice	9	5	5	1·2	1·1
Wheat	14	9	3	2·8	0·1
Tea	96	89	95	77·0	78·9
Cotton, raw	56	51	61	53·2	59·6
Jute, raw	51	31	48	56·7	33·0
Linseed	73	63	59	72·0	46·9
Rape and Mustard	23	8	19	1·6	2·2
Sesamum	25	8	6	1·9	0·8
Groundnuts	35	12	19	25·9	18·3

No. 27.—Exports of Raw Cotton.

(In thousands of bales of 400 lbs.)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom	122	212	152	395	411	473
Other parts of the British Empire	30	21	13	23	23	26
Total British Empire	152	233	165	418	434	499
Japan	1,012	1,373	1,540	1,359	1,211	1,056
Italy	233	244	268	151	92	52
France	109	69	91	95	169	279
China (exclusive of Hongkong, etc.)	71	48	289	69	193	681
Belgium	277	44	217	106	142	68
Spain	30	41	61	..	2	15
Germany	351	69	198	166	192	52
Austria (a)	167	33	32	..	..	..
Other countries	25	31	61	277	218	296
Total Foreign Countries	2,255	1,957	2,752	2,313	2,269	2,449
Total	2,407	2,190	2,917	2,731	2,703	2,948

(a) Figures prior to 1921-22 relate to Austria-Hungary.

No. 28.—Exports of Cotton Twist and Yarn.

(In thousands of lbs.)

Countries	Pre-war average *	War average*	Post-war average*	1937-38	1938-39	1939-40
Burma	—	—	—	8,870	12,443	15,237
China	169,953	110,281	62,751	243	683	349
Egypt	2,183	5,458	4,720	1,189	289	562
Straits Settlements	4,411	4,111	2,727	3,706	5,538	3,190
Iran	2,080	2,677	2,725	14	1	2
Thailand	305	623	1,183	1,694	1,006	368
United Kingdom	683	1,246	474	1,030	182	2,660
Arabia other than Maskat	144	1,961	71	210	241	232
Other countries	13,185	3,325	7,515	23,168	17,577	14,343
Total (All Countries)	192,844	129,685	82,166	40,124	37,960	36,943

* See Note (2) on page 203.

No. 29.—Exports of cotton twist and yarn by counts.

(In thousands of lbs.)

Articles	Pre-war average for two years 1912-13 and 1913-14	War average*	Post-war average*	1937-38	1938-39	1939-40
Nos. 1 to 20	196,459	124,697	70,319	31,928	27,628	27,450
,, 21 to 40	4,384	4,274	2,305	5,820	7,639	6,976
Above No 40	2	170	170	676	809	409
Two-folds (doubles)			6,782	424	305	73
Unspecified descriptions	125	544	2,560	1,281	1,579	2,035
Total	200,970	129,685	82,156	40,124	37,960	36,943

* See Note (2) on page 203.

No. 30.—Exports of Indian grey and coloured cotton piecegoods.

(a) Grey (unbleached).

(In thousands of yards)

Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
Burma	—	—	—	49,514	45,401	52,994
Iran	4,009	9,826	3,117	..	..	..
Iraq*	9,683	9,537	8,513	599	145	211
Straits Settlements	667	1,608	938	2,633	3,520	3,823
Aden and Dependencies	7,636	21,828	6,285	228	298	453
Kenya Colony and Zanzibar and Pemba	4,158	8,926	7,292	619	738	432
Ceylon	175	533	301	130	316	509
Portuguese East Africa	4,914	5,266	4,457	1,959	1,349	3,597
Other countries	16,172	17,052	11,667	34,660	16,839	17,875
Total (all countries)	47,414	74,576	42,515	90,342	68,609	79,894

(b) Coloured, printed or dyed.

Burma	—	—	—	39,254	37,871	53,909
Iran	3,289	21,421	24,321	6,844	1,520	24
Iraq*	2,757	12,188	29,486	4,007	3,630	2,257
Straits Settlements	13,244	16,319	20,150	18,395	11,189	16,309
Aden and Dependencies	2,534	3,147	4,346	2,290	2,067	1,386
Kenya Colony and Zanzibar and Pemba	1,206	2,503	3,850	2,327	2,184	2,771
Ceylon	9,330	9,618	16,409	26,538	18,325	21,871
Portuguese East Africa	669	618	1,978	2,478	2,201	3,153
Other countries	9,355	14,563	20,703	33,079	19,222	26,337
Total (all countries)	42,384	80,377	121,243	135,212	98,209	128,017

*Figures prior to 1921 relate to Turkey, Asiatic.
(a) See Note (2) on page 203.

No. 31.—Exports of raw jute.

(In thousands of bales)

Countries	Pre-war average (a)	War average (a)	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	1,691	1,295	952	811	1,012	1,084
Other parts of the British Empire	4	8	5	45	19	32
Total British Empire	1,695	1,303	957	856	1,031	1,116
United States of America	535	523	483	555	174	284
France	428	198	357	365	426	478
Italy	213	215	180	409	258	155
Brazil	15	66	79	143	138	193
Japan	17	30	60	84	83	76
Belgium	..	1	174	306	285	185
Spain	122	172	132	26	63	90
Germany	920	34	586	801	739	197
Austria } Hungary	250	13	2	14 / 16	7 / 9	.. / ..
Other countries	86	44	92	610	655	407
Total Foreign Countries	2,586	1,296	2,145	3,329	2,835	2,065
Total	4,281	2,599	3,102	4,185	3,866	3,181

No. 32.—Exports of jute gunny bags and cloth*.

Bags—Hessian.

(In lakhs of bags)

Countries	Average of 3 war years 1916-17 to 1918-19	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	2,523	113	883	586	6,615
Australia	77	168	79	110	39
United States of America	323	314	178	100	58
Argentine Republic	84	16	3	3	..
Other countries	1,120	370	685	636	745
Total (all countries)	4,127	981	1,328	1,435	7,456

Bags—Sacking.

(In lakhs of bags)

Countries	Average of 3 war years 1916-17 to 1918-19	Post-war average (a)	1937-38	1938-39	1939-40
United Kingdom	102	305	234	167	237
Australia	633	470	590	547	667
Japan	134	186	46	20	6
French Indo-China	186	148	238	227	257
Java	213	205	342	232	301
United States of America	92	51	11	9	66
Chile	467	249	75	85	77
Peru	51	39	77	73	83
Cuba	210	235	199	189	197
Other countries	941	1,174	2,983	3,000	2,754
Total (all countries)	3,029	3,062	4,795	4,549	4,645

* Gunny bags and cloth have been split in the Sea-borne Trade returns into Hessian and Sacking from the 1st April, 1916, and the war averages relate to the 3 years beginning from 1916-17.

(a) See Note (2) on page 203.

No. 32.—Exports of jute gunny bags and cloth—*contd.*

Cloth—Hessian.

(In lakhs of yards)

Countries	Average of 3 war years 1916-17 to 1918-19	Post-war average*	1937-38	1938-39	1939-40
United Kingdom	1,287	628	1,490	1,643	2,500
Canada	561	508	1,016	884	1,337
Australia	177	123	280	293	390
United States of America	7,057	8,810	9,527	8,397	7,626
Argentine Republic	1,134	1,756	2,308	2,832	2,065
Uruguay	42	85	208	56	132
Other countries	1,209	398	1,171	967	1,096
Total (All Countries)	11,467	12,308	15,995	15,072	15,146

Cloth—Sacking.

(In lakhs of yards)

Countries	Average of 3 war years 1916-17 to 1918-19	Post-war average*	1937-38	1938-39	1939-40
United Kingdom	103	113	80	70	97
Australia	74	52	28	17	22
United States of America	29	128	13	16	18
Argentine Republic	42	56	67	77	104
Other countries	55	46	239	245	218
Total (All Countries)	303	395	436	425	459

No. 33.—Exports of jute gunny bags and cloth.

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Bags	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)
United Kingdom	305	2,265	418	617	753	6,852
Europe (*excepting* United Kingdom)	206	688	299	381	365	211
Egypt	119	385	102	172	220	288
South Africa (*including* Rhodesia)	119	243	177	304	282	385
East Africa (*including* Mauritius)	99	90	112	370	307	367
Australia and New Zealand	628	737	720	809	788	871
Java	130	206	205	346	234	303
Japan	35	118	186	51	28	6
Far East (excepting Java and Japan)	393	436	584	1,587	1,919	1,591
South America	431	532	335	214	218	188
Central America and West Indies	130	229	298	358	320	335
Other countries	796	747	607	914	550	705
Total (All Countries)	3,391	6,676	4,043	6,123	5,984	12,102
Cloth	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)
United Kingdom	423	1,333	741	1,579	1,713	2,597
Canada	333	534	508	1,019	887	1,341
Australia	209	253	175	308	310	412
United States of America	6,639	6,985	8,938	9,540	8,413	7,645
Argentine Republic	1,727	1,440	1,813	2,370	2,909	2,169
Other countries	369	1,016	528	1,615	1,265	1,441
Total (All Countries)	9,700	11,561	12,703	16,431	15,497	15,605

* See Note (2) on page 203.

No. 34.—Exports of Indian Tea.

(In thousands of lbs.)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
British Empire						
United Kingdom	194,481	252,338	279,777	287,689	303,731	286,981
Burma	—	—	—	7,657	1,988	2,744
Canada	10,195	10,063	10,165	15,369	15,471	27,144
Australia	8,978	8,253	5,758	886	1,344	3,675
Ceylon	4,162	3,403	3,107	3,368	3,933	6,992
Egypt (c)	1,209	1,918	2,072	—	—	—
Iraq (a)	—	—	2,382	—	—	—
Cape of Good Hope	116	1,131	806	—	—	—
Other British Possessions	2,028	2,806	2,526	5,052	4,935	5,896
Total British Empire	221,169	279,912	306,593	320,021	331,402	333,432
Iraq (a)	—	—	—	42	199	207
Egypt (c)	—	—	—	66	356	519
Union of Socialist Soviet Republics	29,614	18,390	1	647	75	35
United States of America	2,439	6,946	5,587	6,295	8,096	18,414
China (exclusive of Hongkong, etc.)	7,899	6,230	23	..	1	..
Turkey, Asiatic (b)	3,324	3,000	2,018	485	223	223
Iran	347	4,406	2,115	4,449	5,111	6,136
Chile	44	1,733	1,490	8	8	21
Other countries	1,661	2,674	3,339	2,212	2,579	2,708
Total Foreign Countries	45,328	42,779	14,576	14,204	16,648	23,263
Total	266,497	322,691	321,169	334,225	348,050	356,695

No. 35.—Exports of Seeds.

Linseed.

(In hundreds of tons)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom	130,5	203,5	141,9	174,6	270,5	172,5
France	76,8	25,3	42,0	6,3	8,8	2,4
Italy	26,6	16,6	16,1	1,2	0	4
Belgium	67,8	4,9	23,1	2,0	7	..
Germany	33,5	2,6	3,2	7,4	10,1	6,0
Australia	1,6	11,1	11,4	22,1	21,0	30,5
Other countries	42,2	7,0	12,9	12,9	6,3	7,4
Total	379,0	270,4	251,5	226,5	318,3	219,2

Rape.

United Kingdom	25,3	50,5	46,7	16,1	2,7	15,6
France	63,5	19,6	17,0	3,2	3,6	3,5
Italy	7,1	6,0	26,0	5,5	5	..
Belgium	98,6	5,4	56,5	3,1	1,3	..
Germany	68,2	1,6	38,4	3	3	..
Other countries	10,0	7,6	21,2	3,7	3,3	2,6
Total	272,7	90,7	205,8	31,9	11,7	21,7

(a) Shown as a foreign country from 1927-28.
(b) Figures prior to 1921-22 include Iraq.
(c) Shown as a foreign country from 1923-24.
* See Note (2) on page 203.

No. 35.—Exports of seeds—*contd.*

Sesamum (Til or Jinjili).

(In hundreds of tons

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
France	43,1	15,7	7,6	..	4	..
Italy	13,0	4,1	8,7	3	6	..
Belgium	26,2	1,1	2,1	..	..	..
Austria (a)	20,2	8	8	..	..	..
Other countries	16,8	10,9	8,4	9,8	6,7	3,5
Total	119,3	32,6	27,6	10,1	7,7	3,5

Groundnut.

France	169,1	87,5	126,8	72,3	149,8	99,4
United Kingdom	1,9	8,3	13,3	94,6	96,4	108,2
Belgium	15,3	6	14,0	43,7	65,8	47,2
Italy	7	2,9	14,6	111,6	34,6	19,5
Germany	7,4	8	12,2	108,0	115,2	53,0
Netherlands	1	..	7,3	146,4	231,7	126,0
Other countries	17,3	18,6	7,0	42,8	144,6	95,3
Total	21[illegible],8	118,7	195,2	619,4	825,1	548,6

Cotton.

United Kingdom	233,2	66,6	15[illegible],1	3,6	..	..
Other countries	6,8	2,6	2,7	1,4	5	1,8
Total	240,0	69,2	154,8	5,0	5	1,8

Castor.

United Kingdom	53,9	47,1	10,5	12,7	1,4	12,0
United States of America	11,8	14,7	18,8	..	..	13,3
Belgium	13,7	1,1	4,1	1,2	..	5
France	15,7	11,8	8,8	4,9	2	2,0
Italy	11,0	7,1	4,3	6,8	..	7
Other countries	7,5	4,0	1,8	16,5	6,0	11,9
Total	113,6	88,8	48,3	42,1	7,6	40,4

No. 36.—Shares of principal countries in the total value of exports of seeds.

(In thousands of Rupees)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
United Kingdom	5,67,83	6,34,83	8,28,61	4,58,36	4,98,76	4,41,39
Other parts of the British Empire	35,29	69,05	72,27	99,23	99,95	1,47,55
France	7,11,59	3,24,57	6,21,53	1,27,03	1,98,30	1,45,71
Belgium	4,44,19	25,99	2,87,03	69,16	81,69	65,05
Italy	1,12,81	64,84	1,94,33	1,88,86	43,76	27,90
Germany	3,45,51	17,57	1,46,30	1,70,49	1,50,72	75,85
Netherlands	29,61	2,74	79,71	2,21,95	2,85,64	1,68,10
Other Foreign Countries	1,90,14	77,23	1,23,86	83,57	1,50,40	1,22,98
Total	24,36,97	12,17,42	23,53,64	14,18,65	15,09,22	11,89,53

(a) Figures prior to 1921-22 relate to Austria-Hungary.
* See Note (2) on page 203.

No. 37.—Exports of Wheat.

(In thousands of tons)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
British Empire—						
United Kingdom	985	340	162	290	206	..
Burma	—	—	—	5	5	3
Egypt (a)	4	268	9	—	—	—
Other parts of the British Empire	3	22	2	2	2	3
Total British Empire	992	630	173	297	213	6
Foreign Countries—						
France	106	84	18	..	..	..
Italy	34	62	11	..	8	..
Belgium	138	6	16	14	7	..
Germany	16	.	8	148	48	..
Egypt (a)	—	—	—	..	1	..
Other Foreign Countries	22	25	11	1	2	2
Total Foreign Countries	316	177	64	163	66	2
Total (All Countries)	1,308	807	237	460	279	8

No. 38.—Exports of Rice not in the Husk.

(In thousands of tons)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
British Empire—						
United Kingdom	1[illegible]	125	96	6	6	7
Ceylon	3[illegible]	12[illegible]	311	91	105	91
Hongkong	13	[illegible]	50	..	..	..
Straits Settlements	308	261	170	8	11	9
Mauritius	56	50	50	40	40	51
Egypt (a)	54	17	31	—		—
Other parts of the British Empire	190	110	122	57	63	67
Total British Empire	1,044	1,094	8[illegible]5	132	225	205
Foreign Countries—						
China (exclusive of Hongkong, etc.)	13	[illegible]	[illegible]	..	..	..
Germany	348	23	207	..	..	..
Egypt (a)		—	—	..	..	..
Japan	123	52	52	..	..	..
Netherlands	240	24	51	6	3	1
Turkey, Asiatic	61	31	1	..	..	..
Arabia	25	38	17	30	43	45
Java	166	82	75	..	..	..
Sumatra	19	33	33	..	..	..
Other Foreign Countries	369	302	113	9	11	11
Total Foreign Countries	1,354	591	627	45	57	57
Total	2,398	1,685	1,462	227	282	262

(a) Shown as a Foreign country from 1923-24.
* See Note (2) on page 203.

No. 39.—Exports of Hides and Skins.

(In thousands of Rupees)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Raw hides—						
United Kingdom	30,57	1,09,41	59,96	21,49	9,17	26,01
United States of America	68,73	1,65,15	85,53	6,08	2,82	9,01
Italy	83,85	1,44,99	52,25	7,68	9,88	6,69
Spain	46,85	20,64	26,23	..	..	..
France	8,27	9,06	5,19	4,41	1,87	1,53
Belgium	7,07	93	3,61	1,00	1,80	1,02
Germany	2,43,48	24,99	75,37	36,53	27,63	5,87
Netherlands	16,54	96	3,73	8,84	3,08	1,72
Austria	1,28,77	9,96	44	14	4	..
Hungary			..	12	52	1,33
Other countries	22,96	18,5[illegible]	29,67	70,72	45,62	26,10
British Empire	34,15	1,16,16	68,41	22,71	9,54	26,36
Foreign Countries	6,22,97	3,88,[illegible]	2,73,57	1,34,30	92,89	52,92
Total	6,57,12	5,04,60	3,41,98	1,57,01	1,02,43	79,28
Raw skins—						
United States of America	2,79,96	3,93,36	4,79,94	1,60,78	1,48,56	1,96,15
United Kingdom	25,77	3[illegible]	50,41	1,01,67	51,69	74,29
France	25,41	21,00	28,46	15,07	20,59	20,56
Other countries	41,98	23,17	42,89	59,18	57,80	35,65
British Empire	32,04	57,54	68,73	1,22,67	69,48	93,16
Foreign Countries	3,40,95	4,24,80	5,32,97	2,14,03	2,09,22	2,33,49
Total	3,72,99	4,82,34	6,01,70	3,36,70	2,78,70	3,26,65

* See Note (2) on page 203.

No. 39.—Exports of Hides and Skins—*contd.*

(In thousands of Rupees)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Dressed and tanned hides—						
United Kingdom	1,52,48	4,37,88	2,90,56	3,08,33	2,17,67	4,12,82
Other countries	4,19	1,86	28,80	12,40	9,73	3,88
Total British Empire	1,53,44	4,38,93	3,02,82	3,10,35	2,20,19	4,16,70
„ Foreign Countries	3,23	81	16,54	10,38	7,21	15,13
Grand Total	1,56,67	4,39,74	3,19,36	3,20,73	2,27,40	4,31,83
Dressed and tanned skins—						
United Kingdom	2,15,45	1,98,57	2,13,83	2,90,71	2,27,79	2,50,15
United States of America	29,19	58,62	21,74	1,88	2,05	6,87
Japan	12,79	11,82	36,21	17,85	5,62	55
Other countries	13,35	5,94	17,81	14,19	12,69	8,56
Total British Empire	2,21,15	2,02,35	2,25,82	2,96,20	2,32,81	2,56,34
„ Foreign Countries	49,63	72,60	66,77	28,43	15,34	9,79
Grand Total	2,70,78	2,74,95	2,92,59	3,24,63	2,48,15	2,66,13

No. 40.—Exports of Manganese ore.

(In thousands of tons)

Countries	Pre-war average*	War average*	Post war average*	1937-38	1938-39	1939-40
United Kingdom	193	336	245	284	115	267
Germany	7	3	5	17	2	..
Netherlands	19		15	5	..	..
Belgium	150	15	194	85	10	30
France	97	47	108	189	87	50
Italy	3	12	12	43	48	3
Japan	4	12	2	187	110	194
United States of America	132	48	66	169	67	141
Other countries	2	1	1	22	17	34
Total	607	474	648	1,001	456	719

* See Note (2) on page 203.

No. 41.—Exports of Lac.

(In cwts.)

Countries	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Shellac—						
United Kingdom	79,423	65,023	75,618	101,977	120,887	43,589
United States of America	164,331	190,537	233,516	140,912	127,516	264,932
Germany	60,558	4,051	11,076	49,845	34,343	15,832
France	18,387	9,372	8,810	9,735	9,233	8,479
Japan	3,552	11,859	10,332	36,982	25,066	15,271
Canada	37	691	2,112	4,914	4,318	6,462
Australia	1,763	2,608	2,375	3,991	3,775	6,527
Other countries	28,290	17,130	12,038	57,870	59,049	69,14[illegible]
Total	356,341	300,671	355,937	409,226	384,182	430,231
Button lac—						
United Kingdom	20,181	6,029	8,832	12,643	11,963	11,567
United States of America	2,689	1,342	3,062	3,023	1,419	4,345
Other countries	11,886	2,134	2,192	8,346	6,620	8,011
Total	34,756	9,505	14,086	24,012	20,002	23,923
Seed lac (Total exports)	9,748	15,666	[illegible],765	187,484	206,051	267,605
Stick lac (Total exports)	5,375	2,723	1,560	508	2,885	1,173
Other kinds (Total exports)	28,131	16,811	38,903	43,441	30,728	32,132
Total (all kinds)	434,351	345,376	416,251	664,671	643,848	755,064

* See Note (2) on page 203.

No. 42.—Production, Mill Consumption and Exports of Raw Jute.

(In lakhs of bales)

	Production	Mill consumption* July—June	Exports July - June
Season July—June			
1930-31	112	46	34
1931-32	55	43	31
1932-33	71	44	35
1933-34	80	43	43
1934-35	85	46	44
1935-36	72	50	41
1936-37	96	61	49
1937-38	87	67	37
1938-39	68	62	39
1939-40	96	71	30

* Represent figures for Association mills only.

No. 43.—Production, Imports, Mill and Other Consumption, Exports and Re-exports of Raw Cotton.

(In lakhs of bales)

—	Production (a)	Imports (b)	Mill consumption† (c)	Estimated other consumption (a)	Exports (b)	Re-exports (b)
Season Sept. to Aug.—						
1929-30	52	1·6	24	7·5	39	..
1930-31	52	4·7	23	7·5	37	..
1931-32	40	5·5	23	7·5	16	..
1932-33	40	2·5	24	7·5	29	.
1933-34	51	2·4	23	7·5	34	..
1934-35	48	4·6	26	7·5	31	..
1935-36	59	3·1	27	4·5*	37	..
1936-37	62	5·0	26	4·5*	43	.
1937-38	57	7·9	30	4·5*	21	..
1938-39	51	4·1	31	4·5*	33	..

* Estimate, as arrived at by the I. C. C. Committee, Bombay, on the basis of the results of enquiries conducted in selected areas.

† Represents figures compiled by the Indian Central Cotton Committee, Bombay.

(a) Prior to 1935-36 figures are inclusive of Burma

(b) Prior to 1st April, 1935, figures are inclusive of Burma.

(c) Prior to 1st April, 1937, figures are inclusive of Burma

No. 44.—Production in the Indian Mills of Cotton Twist and Yarn by Counts.

(In thousands of lbs.)

Articles	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40	Percentage of total in 1939-40
Nos. 1 to 20	478,538	466,952	447,157	609,083	6[illegible],030	668,557	54·2
" 21 to 30	146,363	174,069	195,368	302,870	341,310	319,807	[illegible]·2
" 31 to 40	18,699	20,987	16,920	152,455	167,[illegible]	157,150	12·7
Above No. 40	2,655	3,834	2,690	85,113	91,613	81,755	6·6
Waste	502	385	375	11,195	14,[illegible]	15,4[illegible]	1·[illegible]
Total	646,757	666,227	662,510	1,160,716	1,303,246	1,2[illegible]3,[illegible]87	100

* See Note (2) on page 203

No. 45.—Production in the Indian Mills of Cotton Piecegoods.

(In thousands of yards)

Articles	Pre-war average*	War average*	Post-war average*	1937-38	1938-39	1939-40
Grey and bleached piecegoods	854,141	1,065,855	1,209,684	3,190,647	3,337,129	3,086,318
Coloured piecegoods	251,353	378,187	466,182	893,629	932,140	926,211
Total	1,105,494	1,444,042	1,675,866	4,084,276	4,269,269	4,012,529

See Note (2) on page 203.

No. 46.—Tables illustrating competition experienced by Indian products in certain Foreign markets.

Imports of Linseed into the United Kingdom, France, Italy and Australia.

(In thousand quintals)

—	1913	1914	1935	1936	1937	1938	1939
United Kingdom.							
Total	6,550	4,950	2,610	2,771	2,906	2,808	(a)
Argentina	2,250	2,090	1,990	475	926	451	
India	1,360	2,380	595	2,251	1,955	2,326	
India's percentage	*21*	*48*	*23*	*81*	*67*	*83*	
France.							
Total	2,514	1,337	2,533	2,825	2,740	2,032	(a)
Argentina	1,143	546	2,326	2,520	2,473	1,775	
India	1,026	617	56	117	81	64	
India's percentage	*41*	*46*	*2*	*4*	*3*	*3*	
Italy.							
Total	454	324	(a)	542	811	526	(a)
Argentina	133	11		426	764	509	
India	261	282		28	11	2	
India's percentage	*57*	*87*		*5*	*1*	..	
Australia.*							
Total	35	46	361	345	296	323	(a)
Argentina	..	.	68	56	56	56	
India	27	38	85	195	218	258	
India's percentage	*77*	*82*	*24*	*57*	*74*	*80*	

Imports of Rapeseed into the United Kingdom, Belgium, Italy and France.

(In thousand quintals)

—	1913	1914	1935	1936	1937	1938	1939
United Kingdom							
Total	530	620	309	233	239	215	(a)
India	190	210	24	..	..	..	
India's percentage	*36*	*31*	*8*	..	..	..	
Belgium.							
Total	94	..	51	44	58	51	24
Roumania	14	..	1	..	4	6	2
Argentina	3	.	19	1	2	..	..
India	67	..	4	23	32	20	..
India's percentage	*72*	..	*7*	*52*	*55*	*39*	..
Italy.							
Total	102	220	(a)	69	102	54	(a)
India	95	183		6	77	26	
India's percentage	*93*	*83*		*9*	*75*	*48*	
France.							
Total	538	404	103	106	137	128	(a)
India	482	303	44	50	79	69	
India's percentage	*90*	*75*	*43*	*47*	*58*	*54*	

* Figures for Australia, except those for 1913, relate to official years.

(a) Figures not available.

Note.—One quintal = 220·46 lbs.

No. 46—*contd.*

Imports of Sesamum seed into France and Italy.

(In thousand quintals)

—	1913	1914	1935	1936	1937	1938	1939
France.							
Total	278	261	22	19	2	1	(a)
India	228	251	..	..	..	..	
India's percentage	*82*	*96*	..	..	..	..	
China	10	2	..	..	..	..	
China's percentage	*4*	*7*	..	..	..	..	
Italy.							
Total	(a)	(a)	(a)	144	293	54	(a)
India				12	53	3	
India's percentage				*8*	*18*	*6*	
China				77	162	27	
China's percentage				*53*	*55*	*50*	

Imports of Groundnut into France.

(In thousand quintals)

—	1913	1914	1935	1936	1937	1938	1939
Unshelled.							
Senegal	1,738	1,734	3,413	4.163	4,834	3,759	(a)
West Africa (other ports)	406	650	..	..	..	..	
India	325	265	..	..	..	..	
Total	2,634	2,742	3,490	4,222	4,915	3,884	
Corresponding total (shelled).*	1,976	2,057	2,617	3,166	3,686	2,913	
Shelled.							
India	2,442	2,700	1,736	1,990	1,153	2,111	(a)
Senegal	..	20	587	1,052	1,729	1,713	
Other countries	245	262	1,065	657	1,170	766	
Total	2,687	2,982	3,388	3,699	4,052	4,590	
Percentage of total supplied by India.	*58*	*58*	*29*	*29*	*28*	*46*	

(a) Figures not available.

* These figures have been calculated on the basis of 100 tons unshelled = 75 tons shelled.

NOTE.—One quintal = 220·46 lbs.

No. 46—*concld.*

Imports of Tea into certain countries.

(In thousands of lbs.)

—	Pre-war Average*	War Average*	1935	1936	1937	1938	1939
UNITED KINGDOM—							
India	189,093	233,423	270,102	268,710	275,678	292,524	(d)
Ceylon	111,796	100,563	141,941	145,198	141,164	167,100	
China	19,652	17,682	8,427	8,662	13,011	6,962	
Java	17,999	18,594	41,594	38,102	26,473	31,525	
TOTAL	349,150	377,142	476,540	481,631	487,815	526,691	
Percentage of India's share of total	*54·2*	*61·9*	*56·7*	*55·8*	*56·5*	*55·5*	
FRANCE—							
India	1,515	2,957	221	193	231	274	(d)
China	7,359	5,785	422	449	492	422	
TOTAL	9,601	11,093	2,603	3,167	3,058	2,801	
Percentage of India's share of total	*15·8*	*26·7*	*8·5*	*6·1*	*7·6*	*9·8*	
CANADA (a)—							
India	13,850	13,619	22,387	22,398	21,184	21,514	27,631
Ceylon	15,481	10,137	11,600	13,805	12,280	12,614	11,598
China	2,772	1,763	351	666	642	319	210
Japan	4,128	5,556	2,500	2,408	2,394	2,235	2,761
TOTAL	36,753	38,930	37,149	40,621	37,980	37,591	43,394
Percentage of India's share of total	*37·7*	*33·4*	*60·3*	*55·1*	*55·8*	*57·2*	*63·7*
UNITED STATES OF AMERICA (b)—							
India	6,640	10,722	14,063	12,277	10,124	12,173	15,797
Ceylon	18,893	19,247	22,[illegible]07	21,968	19,967	22,145	25,152
China	22,130	18,902	7,326	4,613	6,621	6,307	3,510
Japan	46,245	49,339	21,848	18,704	28,746	17,086	23,511
Java	158	8,656	16,429	18,651	18,734	20,639	28,276
TOTAL	95,126	107,158	86,235	82,477	94,817	81,372	97,791
Percentage of India's share of total	*7·0*	*10·0*	*16·3*	*14·9*	*10·7*	*15·0*	*16·2*
AUSTRALIA (c)—							
India	8,714	8,430	2,008	2,380	1,104	1,713	(d)
Ceylon	19,973	23,406	13,980	17,025	10,772	11,594	
China	2,897	1,982	924	1,582	1,722	1,159	
Java	3,756	7,746	27,152	32,325	31,000	34,273	
TOTAL	35,442	41,937	44,667	48,655	45,307	49,581	
Percentage of India's share of total	*24·6*	*20·1*	*4·5*	*4·9*	*2·4*	*3·5*	
NEW ZEALAND—							
India	651	857	544	259	316	220	525
Ceylon	6,147	7,460	9,325	10,743	10,027	10,882	10,838
China	39	58	96	179	157	64	61
Java	..	342	..	1	..	..	..
TOTAL	7,543	9,236	9,979	11,242	10,681	11,174	11,492
Percentage of India's share of total	*8·6*	*9·3*	*5·5*	*2·3*	*3·0*	*2·0*	*4·6*

(a) Figures for the years 1935, 1936 and 1937 relate to the official years ending March, 1936, 1937 and 1938, respectively.
(b) Re-exports of Indian, Ceylonese, Chinese and Javanese tea from the United Kingdom to the United States of America are included in the figures of imports from India, Ceylon, China and Java, respectively, as far as information is available.
(c) Figures for 1935 relate to the official year ending June, 1936 and similarly for the subsequent years.
(d) Figures not available.
* See Note (2) on page 203.

No. 47.—Quantity and value of the principal articles of Imports into the Kathiawar ports (arranged in the order of their importance)

—	Quantity			Value (in thousands of Rupees)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Sugar—						
Sugar 23 D. S. and above . . . . Ton	8,916	26,627	85,580	7,90	27,38	1,08,09
„ below 23 D. S. but not below 16 D. S. (including beet) . . . . „	50	04	10	5	63	2
Sugar Candy . . . . . „	—	92	84	—	1[illegible]	18
Molasses . . . . . „	.	21[illegible]	760		39	1,19
Total „	8,956	27,438	86,434	7,9[illegible]	28,[illegible]5	1,0[illegible],48
Oils—						
Mineral, kerosene . . . . . Gal. (000)	2,100	2,235	8,248	13,34	13,17	6,57
„ Petroleum . . . . „	1,054	883	4,462	8,10	7,01	2[illegible],16
„ Fuel oils . . . . „	331	82	2,728	60	56	5,98
„ other kinds . . . . „	67	103	85	79	1,02	89
Vegetable . . . . . „	113	13[illegible]	267	1,63	1,[illegible]	2,58
Others	—	—	—	4	2	4
Total .	—	—	—	24,5[illegible]	23,72	71,52
Grain, pulse and flour—						
Pulse . . . . . Ton	1,600	516	1,655	1,96	65	2,34
Rice not in the husk . . . . . „	39,7[illegible]5	29,[illegible]4	37,522	40,52	28,60	38,06
Other sorts . . . . . „	531	515	13,899	56	46	11,69
Total „	41,926	30,925	53,076	43,04	29,80	52,09
Cotton—						
Raw . . . . . Ton	399	369	9	3,43	3,52	9
Manufactures—						
Piecegoods, grey . . . . Yd. (000)	3,983	5,334	5,442	5,09	6,99	7,18
„ white . . . . „	13,[illegible]71	16,2[illegible]2	15,020	24,27	27,99	27,08
„ coloured . . . . „	4,197	4,140	5,320	8,67	8,02	10,75
Twist and yarn . . . lb. (000)	15	7	23	14	8	24
Thread, sewing . . . . . „	8	10	14	25	23	23
Other sorts	—	—	—	41	35	23
Total of Cotton .	—	—	—	42,26	47,18	45,80
Metals and ores—						
Iron and steel—						
Sheets and plates—						
Galvanised . . . . . Ton	1,381	1,076	1,215	2,62	2,26	2,78
Tinned . . . . . „	80	154	930	26	66	3,18
Not galvanised or tinned . . . . „	173	867	1,132	30	1,74	2,16
Bars (steel) . . . . . „	3,479	1,108	1,602	4,91	1,60	2,26

No. 47—*continued*

—	Quantity			Value (in thousands of Rupees)		
	1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Metals and ores—*contd.*						
Iron and steel—*contd.*						
Angle, tee, bolt, rod, bars and channel (iron). Ton.	202	272	160	39	41	19
Beams, channels, pillars, girders and bridge-work. „	1,956	1,850	801	2,66	2,33	95
Wire (other than fencing wire) and wire nails „	171	5[illegible]6	402	28	1,10	78
Rails, chairs, and fish plates . . . „	215	98	73	51	31	16
Pipes and fittings, cast . . . . . „	62	632	652	46	90	1,19
Sleepers and keys of steel or iron for railways. „	987	46	..	1,15	16	..
Tubes, pipes and fittings, wrought . . „	1,871	2,036	1,703	3,41	4,93	4,02
Hoops and strips . . . . . „	1,965	1,529	2,139	3,57	2,94	3,62
Angle and spring . . . . . „	557	453	895	67	61	1,21
Nails, rivets and washers . . . „	945	311	418	2,54	86	1,21
Screws . . . . . „	128	1,[illegible]8	171	73	76	51
Bolts, nuts and fencing materials . .	171	307	616	44	88	1,43
Steel (cast) . . . . . „	64	15	10	9	4	5
Other sorts of Iron and Steel . . . „	407	1,506	662	1,57	5,03	1,58
TOTAL OF IRON AND STEEL . „	14,814	12,976	13,671	26,56	27,52	27,28
Tin . . . . . Cwt.	1,147	1,852	579	34	43	32
Brass . . . . . „	13,565	29,135	31,506	4,41	8,72	10,05
Copper . . . . . „	3,236	1,725	4,450	1,00	74	1,87
Zinc . . . . . „	424	2,418	33	5	25	1
Aluminium . . . . . „	255	14	68	16	1	5
German silver . . . . . „	470	2,368	1,047	25	99	1,00
Others . . . . . „	718	1,477	1,552	22	24	32
TOTAL OF METALS AND ORES . Ton	15,805	14,926	15,678	32,99	38,90	40,90
Machinery and millwork—						
Textiles, Cotton	—	—	—	4,88	10,79	8,23
„ Other sorts	—	—	—	54	1,02	31
Prime-movers	—	—	—	5,28	11,63	3,20
Electrical	—	—	—	2,04	2,06	1,38
Sewing and knitting machines and parts . .	—	—	—	52	53	21
Boilers	—	—	—	16	42	21
Other kinds	—	—	—	7,57	13,27	9,56
TOTAL .	—	—	—	20,99	39,72	23,10
Chemicals—						
Bleaching Powder . . . . . Cwt.	133,058	116,2[illegible]6	65,227	7,22	7,50	4,54
Soda compounds . . . . . „	196,716	155,713	190,768	12,96	9,48	12,32
Other sorts	—	—	—	3,30	4,24	4,35
TOTAL .	—	—	—	23,48	21,22	21,21

No. 47—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Vehicles—							
Carriages and wagons and parts for railways		—	—	—	5,01	4,43	9,72
Cycles and parts of cycles		—	—	—	2,03	2,38	1,83
Motor cars	No.	156	181	170	3,18	5,76	3,66
Motor cycles (including Scooters)	,,	65	51	30	13	24	7
Motor omnibuses, etc.	,,	126	70	38	2,09	1,51	63
Parts and accessories of mechanically propelled vehicles, etc.		—	—	—	39	50	51
Ships, parts of		—	—	—	1,60	.	36
Other kinds of vehicles		—	—	—	4	3	11
TOTAL		—	—	—	14,47	12,94	16,89
Instruments, apparatus and appliances—							
Electrical		—	—	—	8,97	9,52	13,40
Musical		—	—	—	54	36	23
Scientific		—	—	—	29	42	7
Surgical		—	—	—	41	11	8
Other kinds		—	—	—	46	58	48
TOTAL		—	—	—	10,67	10,99	14,26
Wood and Timber—							
Teak wood	Cu. ton	10,524	8,187	8,213	12,04	8,51	8,97
Other kinds of wood and timber		—	—	—	5,17	5,19	3,23
Manufactures of wood		—	—	—	2	9	6
TOTAL		—	—	—	17,23	13 79	12,26
Paper and Pasteboard—							
Paper—							
Packing and wrapping paper	Cwt. (000)	30	18	29	4, 2	2,36	3,49
Printing paper	,,	21	22	20	2,40	2,12	1,69
Writing paper and envelopes	,,	5	9	6	93	1,72	96
Old newspapers	,,	43	59	29	2,05	2,34	1,38
Others	,,	13	7	8	2,24	1,34	1,52
TOTAL OF PAPER	,,	112	115	92	11,94	9,88	9,04

No. 47—*continued*

—		Quantity			Value (in thousands of rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Paper and pasteboard—*contd.*							
Pasteboard, etc.—							
Straw boards	Cwt. (000)	70	33	36	3,81	1,45	1,64
Others	"	4	3	3	50	43	36
TOTAL OF PASTEBOARD	"	74	36	39	4,31	1,88	2,00
TOTAL OF PAPER AND PASTEBOARD	"	186	151	131	16,25	11,76	11,04
Fruits and Vegetables—							
Dried, salted, or preserved—							
Dates	Ton	27,656	18,266	12,072	9,97	9,64	7,87
Others	"	116	54	4	7	10	2
Fresh fruits and vegetables		—	—	—	13	23	75
TOTAL		—	—	—	10,17	9,97	8,64
Starch, Dextrine and Farina	Cwt. (000)	106	132	108	9,01	9,98	7,84
Hardware—							
Implements and tools		—	—	—	42	50	64
Lamps and parts		—	—	—	3,33	2,17	1,60
Builders' hardware		—	—	—	78	66	46
Enamelled ironware		—	—	—	10	15	14
Domestic hardware		—	—	—	3	8	10
Stoves	No.	6,502	3,394	1,331	18	12	4
Other sorts		—	—	—	1,46	1,42	3,89
TOTAL		—	—	—	6,30	5,10	6,87
Matches	Gross (000)	205	388	189	3.40	3,48	3,78
Paints and painters' materials—							
Paints and colours	Cwt.	10,209	11,874	9,450	2,35	3,01	2,24
Painters' materials		—	—	—	50	86	1,33
TOTAL		—	—	—	2,85	3,87	3,57
Rubber, raw and manufactured		—	—	—	7,19	5,19	2,40
Glass and glassware—							
Bangles		—	—	—	10	8	2
Bottles and phials	Gross	3,799	6,326	1,794	54	42	20
Beads and false pearls	Cwt.	663	442	473	23	24	17
Sheets and plates		—	—	—	2,62	2,43	1,36
Funnels, globes, etc.		—	—	—	10	6	3
Other glassware		—	—	—	42	34	38
TOTAL		—	—	—	4,01	3,57	2,16

—		Quantity			Value (in thousands of Rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Building and Engineering materials—							
Asphalt	Ton	1,496	1,029	1,100	1,22	88	90
Cement	,,	3,991	3,104	2,074	1,12	88	54
Tiles		—	—	—	46	55	54
Others		—	—	—	21	9	7
Total		—	—	—	3,01	2,40	2,05
Silk, manufactures—							
Piecegoods	Yd. (000)	458	145	193	2,21	84	1,27
Other sorts		—	—	—	6	16	38
Total		—	—	—	2,27	1,00	1,65
Spices—							
Betelnuts	Cwt.	3,198	3,081	5,685	42	43	85
Others	,,	894	1,298	2,269	18	29	79
Total	,,	4,092	4,379	7,954	60	72	1,64
Apparel		—	—	—	59	90	1,39
Artificial silk		—	—	—	2,18	1,40	1,12
Earthenware and porcelain		—	—	—	1,05	1,13	1,10
Dyes obtained from coal tar—							
Aniline	lb. (000)	45	62	89	15	22	12
Alizarine	,,	96	52	19	63	60	51
Others	,,	58	47	127	59	77	34
Total	,,	199	161	215	1,42	1,59	97
Liquors—							
Spirit		—	—	—	43	68	48
Ale, beer and porter		—	—	—	50	49	47
Wines		—	—	—	5	6	2
Total		—	—	—	98	1,23	97
Stationery		—	—	—	1,11	1,00	80
Drugs and Medicines—							
Proprietary and patent medicines		—	—	—	44	55	43
Other sorts		—	—	—	83	45	26
Total		—	—	—	1 27	1,00	69
Manures	Ton	550	408	750	3	14	60
Tallow and Stearine	Cwt.	231	433	5,245	4	13	68
China Clay	Cwt (000)	..	43	20	.	1,02	6

—		Quantity			Value (in thousands of Rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
Tobacco—							
Cigarettes	lb. (000)	57	33	23	87	77	60
Others	,,	22	26	3	10	15	2
TOTAL	,,	79	59	26	97	92	62
Provisions and oilman's stores—							
Biscuits and cakes	Cwt.	336	277	405	30	22	34
Other sorts		—	—	—	19	22	18
TOTAL		—	—	—	49	44	52
Seeds	Ton	877	422	284	1,23	57	49
Printing and Lithographing Machinery and Materials		—	—	—	17	26	47
Belting for machinery		—	—	—	33	23	28
Fents	lb. (000)	89	58	42	66	39	28
Bobbins		—	—	—	11	26	28
Asbestos		—	—	—	15	3[illegible]	25
Leather		—	—	—	24	11	21
Polishes		—	—	—	1[illegible]	24	17
Toys and requisites for games		—	—	—	26	18	17
Gums and Resins		—	—	—	7	19	17
Toilet requisites		—	—	—	13	23	16
Jewellery, also plate of gold and silver		—	—	—	70	1	12
Wool manufactures—							
Yarn and knitting wool	lb. (000)	35	..	..	72	..	..
Piecegoods	Yd. (000)	21	25	4	30	23	7
Other sorts		—	—	—	39	22	5
TOTAL		—	—	—	1.41	45	12
Clocks and watches and parts		—	—	—	9	10	10
Telephone materials		—	—	—	38	11	8
Furniture and cabinetware		—	—	—	22	38	8
Soap	Cwt.	1,112	375	163	25	12	6
Fireworks		—	—	—	31	25	5
Stone and Marble	Ton	499	4,465	9	48	54	2
Coal and coke	,,	6,814	..	..	1 37	..	..
All other articles		—	—	—	2,62	2,53	1,70
TOTAL VALUE OF IMPORTS		—	—	—	[illegible],24,45	3,42,67	4,74,61
Treasure—							
Gold metal and coin	Fine oz.	19	..	..	2	..	..
Silver bullion and coin	Std. Oz. (000)	50	59	1 077	76	89	14,81
TOTAL		—	—	—	78	89	14,81

No. 48.—Quantity and value of the principal articles of Exports from the Kathiawar ports (arranged in the order of their importance).

—		Quantity			Value (in thousands of Rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
INDIAN MERCHANDISE—							
Textiles—							
Cotton—							
Raw	Ton	7,957	12,360	9,509	40,07	52,68	38,00
Waste	Cwt.	74,003	84,849	61,746	10,31	11,54	8,67
Twist and yarn	lb (000)	..	275	712	..	1,07	2,78
Piecegoods	yd (000)	5,107	4,518	4,193	7,46	6,98	6,02
Other sorts		—	—	—	..	15	..
Total		—	—	—	57,84	72,42	55,47
Wool, raw	lb. (000)	5,315	11,994	16,134	40,81	60,41	97,08
Other Textiles, raw		—	—	—	36	1	..
" " manufactured		—	—	—	29	17	16
Total of Textiles		—	—	—	99,30	1,33,01	1,52,71
Seeds—							
Essential	Ton	56	14	29	11	3	8
Non-essential							
Groundnut	"	91,097	162,004	85,144	1,37,93	1,90,63	1,13,27
Castor	"	2,153	3,082	2,195	2,41	3,[illegible]0	2,67
Others	"	8	18	5	2	2	1
Total of Seeds	"	93,314	165,118	87,373	1,40,47	1,9[illegible],88	1,16,03
Oilcakes	Ton	42,244	51,359	4[illegible],334	26,42	34,17	19,11
Building and Engineering materials		—	—	—	11	16	8,72
Provisions and oilman's stores—							
Ghi	Cwt.	8,758	9,548	7,876	6,23	6,77	5,85
Manures	Ton	4,672	4,079	2,067	3,18	2 76	1,27
Oils—							
Groundnut	Gal. (000)	649	523	61	9,53	5,[illegible]4	79
Others		—	—	—	[illegible]	16	6
Total		—	—	—	9,61	5,40	85
Bones for manufacturing purposes	Ton	599	205	566	32	54	53
Tallow and Stearine	Cwt.	757	776	694	58	55	44
Fresh Fruits and Vegetables		—	—	—	44	7[illegible]	41
Chemicals		—	—	—	81	1,08	37
Wood and timber		—	—	—	17	19	20

No. 48—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1937-38	1938-39	1939-40	1937-38	1938-39	1939-40
INDIAN MERCHANDISE—*contd.*							
Grain, pulse and flour—							
Rice (not in the husk)	Ton	43	82	50	5	10	7
Other sorts	„	30	68	40	4	9	7
TOTAL	„	73	150	90	9	19	14
Metals		—	—	—	25	21	13
Spices	Cwt.	251	188	222	4	6	7
Leather—							
Goat skins	Ton	6	1	..	54	1	..
Sheep skins	„	6	1	..	22	3	1
Other skins	„	38	15	..	1,19	32	1
Others		—	—	—	36	27	..
TOTAL		—	—	—	2,31	66	2
All other articles		—	—	—	79	68	99
TOTAL VALUE OF EXPORTS		—	—	—	2,91,12	3,80,84	3,07,84
FOREIGN MERCHANDISE—							
Sugar, 23 D. S. and above	Ton	7,327	..	6,111	7,20	..	7,23
Cotton, raw	„	258	34	..	1,42	16	..
All other articles		—	—	—	14	40	18
TOTAL VALUE OF RE-EXPORTS		—	—	—	8,76	56	7,41
TOTAL VALUE OF EXPORTS & RE-EXPORTS		—	—	—	2,99,88	3,81,40	3,15,25
Treasure—							
Gold metal and coin	Fine oz.	..	..	19	..	..	2
Silver bullion and coin	Std. Oz. (000)	..	25	..	..	29	..
TOTAL		—	—	—	..	29	2

No. 49.—Chief Imports into Burma from India as recorded in Burma Trade Returns.

Articles		Quantity (in thousands)						Value (in lakhs of rupees)					
		Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40
Indian Merchandise—													
Coal . .	tons	413	342	370	291	34	Not available.	51	65	1 09	45	55	Not available.
Cotton—Twist and yarn .	lbs.	10,895	12,636	18,944	10,242	12,445		56	97	2,35	54	61	
Cotton piecegoods—													
Grey (unbleached)	yds.	7,859	8,570	8,649	19,596	17,595		14	22	37	34	30	
White (bleached)	,,	3,707	5,895	4,485	21,080	28,489		8	18	25	61	53	
Coloured, printed or dyed .	,,	12,199	21,312	18,122	19,074	39,425		27	60	95	1,13	97	
Jute bags	no.	38,948	39,822	40,123	52,097	58,548		1.19	1,66	1,88	1,19	1,32	
Betelnuts	cwts.	311	279	294	159	165		60	56	64	24	25	
Tobacco—unmanufactured .	lbs.	21,160	16,432	16,687	14,560	14,683		58	43	51	23	23	
Pulse . .	tons	14	12	15	6	5		20	20	36	10	8	
Wheat flour . . .	,,	16	12	18	25	27		26	27	52	41	36	
Iron and steel . .	,,	1	—	1	28	26		1	—	3	65	57	
Cigarettes . . .	lbs.	88†	—	262	1,460	1,080		1†	—	10	54	50	
Oils—groundnut . .	gals.	1,227	750	1,167	1,835	2,125		23	14	28	25	36	
Tea	lbs.	997	1,279	1,052	7,741	1,917		7	9	13	33	11	
Butter .	,,	498	—	525	466	171		4	—	7	4	4	
Ghi	cwts.	30	30	91	14	11		25	22	34	10	9	
Boots and Shoes . .	[illegible]	4[illegible]		210	1,628	1,231		1	—	8	10	8	

* See Note (2) on page 203. †Average of three years.

No. 49.—Chief Imports into Burma from India as recorded in Burma Trade Returns—*contd.*

Articles	Quantity (in thousands)						Value (in lakhs of rupees)					
	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40	Pre-war Average*	War Average*	Post-war Average*	1937-38	1938-39	1939-40
Indian Merchandise—*contd.*												
Fruits and Vegetables—												
Fresh Vegetables . . value	—	—	—	—	—	Not available.	21	10	19	13	23	Not available.
Dried, salted or preserved . . . tons	5	4	1	7	8		10	9	17	12	12	
Foreign Merchandise—												
Carriages and carts . . value	—	—	—	—	—		2	4	14	29	26	
Cotton piecegoods—												
Grey (unbleached) . . yds.	3,009	3,116	5,496	870	1,435		5	9	24	2	3	
White (bleached) . . ,,	2,586	3,741	2,003	616	660		5	13	11	2	1	
Coloured, printed or dyed ,,	2,333	4,434	3,842	1,547	1,374		6	20	25	5	4	
Instruments, Apparatus, etc. value	—	—	—	—	—		3	2	1	14	15	
Machinery and Millwork . ,,	—	—	—	—	—		1	3	..	9	6	
Iron and steel . . . tons	2	3	..	2	.		3	13	16	4	1	
Dates . . . . ,,	—	..	..	1	..		—	..	..	1	1	
Drugs and Medicines . . value	—	—	—	—	—		2	2	..	3	3	
Coal tar dyes . . . lbs.	—	11	—	133	107		—	4	—	2	2	
Hardware . . . value	—	—	—	—	—		4	7	8	3	3	

* See Note (2) on page 203.

No. 50.—Chief Exports from Burma to India as recorded in Burma Trade Returns.

Articles		Quantity (in thousands)						Value (in lakhs of rupees)					
		Pre-war Average(c)	War Average(c)	Post-war Average(c)	1937-38	1938-39	1939-40	Pre-war Average(c)	War Average(c)	Post-war Average(c)	1937-38	1938-39	1939-40
Burmese Merchandise—													
Rice in the husk	tons	214	168	93	[illegible]	96	Not available	1,54	1,12	86	52	47	Not available.
Rice not in the husk		385	806	709	1,267	1,175		4,18	7,96	10,93	9,50	10,50	
Pulse	,,	19	19	46	31	61		17	19	64	[illegible]	49	
Gram	,,	5	1	15	6	10		5	1	8	4	7	
Fresh vegetables	value	—	—	—	—	—		1	1	19	28	27	
Oils, mineral—													
Kerosene	gals.	97,570	110,821	119,290	131,358	129,529		3,32	3,72	4,10	7,12	6,84	
Lubricating	,,	*	2,967†	2,160	6,957	5,165		*	21†	21	7	62	
Benzine and Petrol	,,	*	4,215 (a)	14,871	54,159	50,888		*	6 (a)	2,01	2,36	2,14	
Other mineral oils	,,	1,572	5,199	4,280	13,602	12,903		11	34	17	84	74	
Candles	lbs.	4,409	5,455	6,237	8,179	8,024		12	15	18	9	8	
Lac, stick	cwts.		—	—	18	15		3	6	43	2	1	
Matches	gross of boxes	(b)	(b)	(b)	1,246	1,375		(b)	(b)	(b)	12	12	
Tin	cwts.	1	2	3	4	6		2	3	5	6	8	
Wood and timber—													
Teakwood	C tons	128	110	166	164	160		1,17	1,82	2,39	2,04	2,00	
Other timber	value	—	—	—	—	—		18	14	28	31	34	

* Included with "Oils—Mineral—Other kinds" prior to April, 1915.
† Average of four years
(a) Average of four years, representing "Petrol" only (b) Not available. (c) See Note (2) on page 203.

No. 51.—Balance of Trade of India*.

(In lakhs of Rupees)

—	Average of 5 years ending 1888-89	1893-94	1898-99	1903-04	1908-09	1913-14	1918-19	1923-24	1928-29	1933-34	1935-36	1936-37	1937-38	1938-39	1939-40
Exports of Indian Merchandise (private)	+84,99	+1,00,50	+1,08,26	+1,21,32	+1,61,85	+2,19 50	+2,15 97	+2,86,88	+3,42,04	+1,93,15	+1,49,55	+1,85,05	+1,80,93	+1,62,79	+2,03,44
Re-exports of Foreign Merchandise (private)	+3,59	+4,41	+4,19	+3,20	+3,46	+4,62	+8,14	+15,62	+9,87	+4,71	+4,70	+7,24	−8,28	+6,42	+9,64
Imports of Foreign Merchandise (private)	−58,52	−67,75	−69,79	−78,43	−1,11,85	−1,45,85	−1,47,80	−2,48,81	−2,39,11	−1 55,10	−1,49,14(c)	−1,41,10(c)	−1,73,32(c)	−1,51,79(c)	−1,64,75(c)
Balance of trade in Merchandise (private)	+30,06	+37,16	+37,66	+46,09	+53,46	+78,27	+76,31	+53,14	+1,12,80	+42,76	+5,11	+51,19	+15,88	+17,42	+48,33
Gold (private)	−3,08	−2,10	−2,25	−9 55	−12,88	−28,87	−7,81(a)	−13,93(a)	−33,5[illegible]	+30,72	+37,31	+27 86	+16,34	+13,06	+34,67
Silver (private)	−8,96	−12 21	−6,25	−5,12	−8,11	−7,21	−2.99(b)	−11,79(b)	−16,[illegible]8	−5,37	−2,19	−14,39	−2 26	−1,75	−4,74
Currency Notes (private)	—	—	—	—	—	-	—	−40	−13	+9	+29	+24	+28	+58	+34
Balance of transactions in treasure (private)	−12,94	−14,31	−8,50	−14,67	−20,99	−36,08	−10,80	−26,12	−59,41	+25,44	+35,41	+13,71	−14,36	+11,89	+30,27
Total visible balance of trade	+18,02	+22,85	+29.16	+31.42	+32,47	+42,19	+65.51	+27,02	+62,39	+68,20	+40,52	+64,90	+30.24	+29,31	+78,60
Gold earmarked on account of purchasers abroad	.						.				..	.	.	10,19(g)	−1,36
Purchases of sterling by the Reserve Bank of India	−18,00	−21,81	−26,07	−27,76	−35,56	−41,35	(d) −34,96	−15,45	−39,84	−37,77	−45,58	−70,87	−2[illegible],51	−32,64	−94,57(e)
Sales of sterling by the Reserve Bank of India	..	..	..	..	+2,41	+5	+5,50	+9,42	+38§	+5,34	.	..	..	..	(f)
Transfers of Government Securities	+17	+49	−53	−88	−54	−87	−38	+38	−27	−11	−56	−18	−11	−8	−2,11
Interest drafts on India in respect of Government of India Securities	−87	−99	−83	−70	−56	−44	−80	−31	−36	−33	−31	−29	−28	−28	−20
Balance of remittances of funds	−18,70	−22,31	−27,43	−29.34	−34,25	−42,61	−30,14	−5,96	−40,09	−32,87	−46,45	−71,34	−29,90	−33,00	−96,88

NOTE.—Gold acquired by purchasers abroad and earmarked on their account is shown separately in the table. In these balances *plus* (+) signifies net export and *minus* (−) net import

* All possible items in the Balance of Trade cannot be included in the table. § One-fifth of the amount for 1926-27 only, there being no transactions in other years.

(a) Excludes transactions, such as gold imported or exported on behalf of the Bank of England, which do not enter into India's Balance of Trade.

(b) Excludes *piastres* coined at the Bombay Mint on behalf of the Egyptian Government valued at R1,16 lakhs in 1916-17, R77 lakhs in 1917-18 and R6 lakhs in 1918-19. The value of old Straits dollars received at the Bombay Mint for recoinage (R1,13 lakhs) and that of the export of the recoined dollars (R12 lakhs) are also excluded in 1918-19. The value of 'silver—other coin' exported to Ceylon on account of the Ceylon Government (R5 lakhs) and that to the Straits Settlements on account of the Straits Government (R24 lakhs) have been excluded in 1919-20. In 1920-21 the following items have been excluded :—(1) the value of 'silver—other coin' imported from Ceylon on account of the Ceylon Government (R3 lakhs), (2) the value of 'silver—other coin' exported to Ceylon on account of the Ceylon Government (R10 lakhs) and to the Straits Settlements on account of the Straits Government (R16 lakhs), and (3) the value of Straits dollars exported to the Straits Settlements on account of the Straits Government (R86 lakhs). The items excluded in 1921-22 are:—(1) import of 'silver—other coin' from Ceylon on account of the Ceylon Government (R4 lakhs), (2) export of 'silver—other coin' to Ceylon on account of the Ceylon Government (R3 lakhs), and (3) export of Straits dollars to the Straits Settlements on account of the Straits Government (R1 lakh). The value of Straits dollars exported to the Straits Settlements on account of the Straits Government (R2 lakhs) has been excluded in 1926-27.

(c) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and not, therefore, taken into account in arriving at the Balance of Trade

(d) Includes R85 lakhs being the funds supplied by Government to finance wheat purchases.

(e) Figures for years prior to 1923-24 represent Council Bills and T. T. paid in India. Subsequent figures include Sterling purchases. From 1925-26 figures relate entirely to Sterling purchases. Figures for years prior to 1937-38 include Burma.

(f) Figures in previous columns given against this item represent sterling transfers on London sold in India.

(g) Represents figure for six months ending March, 1939.

No. 52.—Statistics of Maritime freights *from* Calcutta, Bombay, Karachi, Madras and Rangoon *to* London, Marseilles, Antwerp, Hamburg and Japan.

Articles	Freights to	Rate per	1934	1935	1936	1937	1938	1939				1940	
			April	April	April	April	April	January	April	July	October	January	April
			£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
Calcutta*—													
Jute	London	Ton of 50 c.ft.	1 0 0	1 17 6	1 17 6	2 2 6	2 7 6	2 7 6	2 7 6	2 7 6	2 7 6†	3 11 3(c)	3 11 3(c)
	Marseilles	"	1 2 6	1 17 6	1 17 6	2 2 6	2 7 6	2 7 6	2 7 6	2 7 6	..	..	..
	Antwerp	"	1 0 6	1 13 9	1 13 9	1 18 9	2 2 6	2 2 6	2 2 6	2 2 6	.	..	..
	Hamburg	"	1 2 6	1 13 9	1 13 9	1 18 9	2 2 6	2 2 6	2 2 6	2 2 6	.	..	..
Linseed	London	Ton	1 0 0	1 8 9	1 8 9	1 12 6	1 15 0	1 15 0	1 15 0	1 15 0	1 15 0†	3 7 6(c)	3 7 6(c)
	Marseilles	"	1 2 6	1 8 9	1 8 9	1 12 6	1 15 0	1 15 0	1 15 0	1 15 0	.	..	..
	Antwerp	"	1 0 0	..	1 6 3	1 10 0	1 11 3	1 11 3	1 11 3	1 11 3	..	..	..
	Hamburg	"	1 2 6	..	1 6 3	1 10 0	1 11 3	1 11 3	1 11 3	1 11 3	..	..	..
Bombay—													
Cotton	London	Ton of 40 c.ft.	0 12 0	1 2 0	1 15 0	2 0 0	1 17 6	1 10 0	1 10 0	1 10 0	2 0 0	2 17 6	3 2 6
	Antwerp	"	0 11 6	1 0 0	1 15 0	2 0 0	1 17 6	1 10 0	1 10 0	1 10 0	..	..	3 2 6
	Hamburg	"	0 16 6	1 0 0	1 10 0	2 2 6	2 0 0	1 15 0	1 12 6	1 12 6	..	..	..
	Japan	Bale	Rs. 17 (b)	Yen 4·56	Yen 4·56	Yen 4·72	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16
			£ s. d	£ s d.	£ s. d	£ s d.	£ s d	£ s. d.	£ s. d	£ s. d.	£ s. d.	£ s. d.	£ s d.
Seeds (16 cwt. and over)	London	Ton	0 12 0	1 2 0		..	..	..	..	..	..	..	..
	Marseilles	"	0 11 0	..	..	..	..	..	..	..	..	..	..
	Antwerp	"	0 11 6	1 0 0	..	..	..	..	..	..	..	..	..
	Hamburg	"	0 16 0	1 0 0	..	..	..	..	..	..	..	..	..
Light seeds (13 cwt. and under)	London	"	0 10 0	0 18 0	1 0 0	1 7 6 to 1 10 0	1 3 0	0 17 0	0 17 0	0 18 0	1 12 0	2 4 6	2 9 6
	Marseilles	"	0 10 0	..	1 0 0	1 7 0 to 1 10 0	1 3 0	0 18 0	0 17 0	0 18 0	..	..	2 9 6
Madras—													
Groundnuts	Marseilles	"	1 2 6	0 18 0	1 5 0	2 5 0	1 5 0	1 5 0 (c)	1 5 0	1 0 0	2 10 0 (c)	2 10 0 to 2 15 0(c)	5 15 0(c)
Karachi—													
Barley (16 cwt.)	London	"	0 12 0 (a)	1 0 0	1 0 0	1 12 0 (a)	1 2 0 (a)	0 19 0 (a)	1 0 0 (a)	1 0 0 (a)	..	..	..
Rangoon—													
Rice	United Kingdom.	"	1 3 3	1 2 6	1 7 6	1 12 6	2 5 0	1 7 6	1 7 6	1 7 6	2 5 0	2 12 6	2 17 6
	Hamburg	"	..	1 0 0	1 7 6	2 2 6	1 10 0	1 7 6	1 10 0	1 7 6	..	..	5 2 6(d)

NOTE.—The rat[illegible] for the first week of each month.

* The rates since 926 from Calcutta to London and Marseilles are subject to a rebate of 10 per cent not exceeding 5s. per ton.

† Plus 25 per cent.

(a) Rate for Liverpool. (b) Per ton of 40 c.ft. (c) Nominal. (d) Rate for Italy.

No. 53.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)

(In thousands of Rupees)

—	1937-38	1938-39	1939-40	Increase (+) or decrease (—) in 1939-40 as compared with 1938-39
Sea Customs—Imports.				
I.—Revenue Duties.				
1. Ale, beer, porter, cider and other fermented liquors	36,38	36,26	28,77	—7,49
2. Spirits and liqueurs	1,61,89	1,48,28	1,55,25	+6,97
3. Wines	11,84	10,13	7,97	—2,16
4. Spices	10,71	19,02	27,75	+8,73
5. Tea	10,60	8,19	4,13	—4,06
6. Tobacco	1,35,08	1,53,90	1,67,86	+13,96
7. Kerosene Oil	3,31,86	3,55,73	4,01,75	+46,02
8. Motor Spirit	4,62,82	5,15,36	6,15,79	+1,00,43
9. Oils, batching, fuel and lubricating	46,75	40,46	45,67	+5,21
10. Cotton, raw	82,26	82,23	1,05,32	+23,09
11. Boots and shoes	6,01	4,46	2,84	—1,62
12. Motor cars, cycles, scooters, omnibuses, chassis, vans, lorries and parts thereof	1,68,11	1,27,89	1,52,60	+24,71
13. Electric lighting bulbs	17,61	12,95	13,07	+12
14. Wireless reception instruments and apparatus	15,95	14,88	21,19	+6,31
15 Dyes derived from coal-tar and coal-tar derivatives	37,50	29,11	28,16	—95
16. Machinery	2,16,79	2,30,99	1,85,17	—45,82
17. Iron and Steel	50,98	42,38	51,05	+8,67

18. Silver bullion, coin, sheets, plates and other manufactures	30,51	29,57	1,48,67	+1,19,10
19. Tin, block	9,62	7,10	11,42	+4,32
20. Metals, other than iron and steel, silver and block tin	70,73	74,32	58,44	—15,88
21. Railway plant and rolling stock	18,15	18,25	12,86	—5,39
22. Artificial silk yarn and thread	62,92	41,28	72,46	+31,18
23. Yarns and textile fabrics, others	1,31,43	91,52	67,09	—24,43
24 Cinematograph films	14,91	13,10	14,79	+1,69
25. Portland cement excluding white Portland cement	3,50	1,98	72	—1,26
26. Pneumatic rubber tyres and tubes	32,92	24,93	29,44	+4,51
27. Toys, games and sports goods	20,58	17,48	15,80	—1,68
28. Betelnuts	60,23	77,07	73,49	—3,58
29. All other articles †	10,68,69	9,37,41	8,99,63	—37,78
II.—Protective Duties.				
30. Wheat and wheat flour *	..	12,52	10,72	—1,80
31. Broken rice	..	1	6,42	+6,41
32. Sugar	25,33	45,22	3,96,08	+3,50,86
33. Heavy chemicals	16	15	5	—10
34. Iron and Steel	77,16	58,83	44,13	—14,70
35. Silver wire, thread and other manufactures	3,79	3,26	1,33	—1,93

No. 53.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)—*contd.*

(In thousands of Rupees)

—	1937-38	1938-39	1939-40	Increase (+) or decrease (—) in 1939-40 as compared with 1938-39
Sea Customs—Imports—*contd.*				
II.—Protective Duties—contd.				
36. Paper and Stationery	27,85	21,22	14,50	—6,72
37. Raw silk	38,99	29,38	30,39	+1,01
38. Silk yarn and thread	30,60	17,00	10,09	—6,91
39. Cotton yarn and thread	20,26	32,04	32,92	+88
40. Cotton fabrics of British manufacture	1,30,58	94,96	64,09	—30,87
41. Cotton fabrics not of British manufacture	2,20,31	2,64,98	2,87,82	+22,84
42. Silk fabrics	59,87	55,23	30,82	—24,41
43. Cotton hosiery	14,63	8,57	6,37	—2,20
44. Artificial silk fabrics	1,70,33	94,78	1,07,98	+13,20
45. Fabrics of artificial silk mixed with other materials	30,48	18,00	14,12	—3,88
46. Other textile manufactures	38,67	34,71	36,75	+2,04

47. Matches, match splints and veneers	15,80	16,48	22,74	+6,26
48. Wood pulp	5,82	6,66	5,58	—1,08
TOTAL IMPORTS	42,37,27	39,80,23	45,42,05	+5,61,82
SEA CUSTOMS—EXPORTS				
Jute (raw and manufactured)	4,33,02	3,98,82	3,94,84	—3,98
Rice	10,66	11,24	11,77	+53
TOTAL EXPORTS	4,43,68	4,10,06	4,06,61	—3,45
LAND CUSTOMS.				
States in Western India	—	13,12	43,12	+30,00
French and Portuguese India	—	35,14	36,00	+86
Other Frontiers	—	35	37	+2
TOTAL LAND CUSTOMS	48,22	48,61	79,49	+30,88
Miscellaneous	15,12	12,17	13,95	+1,78
TOTAL GROSS CUSTOMS REVENUE	47,44,29	44,51,07	50,42,10	+5,91,03
Payments to Provincial Governments in respect of the export duties on jute	—	2,48,13	2,54,44	+6,31
Refunds and Drawbacks	(a) 1,24,78	1,49,94	1,55,83	+5,89
NET CUSTOMS REVENUE	46,19,51	40,53,00	46,31,83	+5,78,83

No. 53.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)—*concld.*

(In thousands of Rupees)

—	1937-38	1938-39	1939-40	Increase (+) or decrease (—) in 1939-40 as compared with 1938-39
Central Excise Duties.				
Motor spirit	(*b*) 1,36,18	1,24,70	1,12,75	—11,95
Kerosene	(*c*) 82,12	67,85	50,38	—17,47
Silver	..	..	..	..
Sugar—				
Sugar other than Khandsari and Palmyra	3,30,97	4,22,44	2,47,19	—1,75,25
Khandsari Sugar	50	59	1,35	+76
Palmyra Sugar	..	..	..	..
Matches	2,07,62	(*d*) 2,17,99	(*e*) 2,25,31	+7,32
Steel Ingots	36,53	38,15	41,86	+3,71
Miscellaneous	15	16	12	—4
Total Gross Central Excise Revenue	7,94,07	8,71,88	6,78,96	—1,92,92
Refunds	—	6,57	9,24	+2,67
Net Central Excise Revenue	—	8,65,31	6,69,72	—1,95,59
Tax on raw jute and jute manufactures	13,15	11,97	11,64	—33
Tea Cess	41,68	42,98	47,04	+4,06

* Liable to protective duty with effect from 7th December, 1938. *Vide* footnote marked † above against 29—All other articles.
† Includes figures representing revenue duty on wheat flour with effect from 1st April, 1937 to 6th December, 1938.
(*a*) Relate to Sea Customs only.
(*b*) Includes Rs. 43,42,000 collected as excise duty on oil issued from a manufactory in Burma prior to 1st April, 1937.
(*c*) " Rs. 18,50,000 " " " "
(*d*) Includes Rs. 6,78,000 being the amount of cash remittances from the Indian States to British India.
(*e*) " Rs. 8,95,000 " " "

No. 54.—Wholesale Prices in India.

Articles	Rate per	1913-14 April	1913-14 July	1913-14 October	1913-14 January	1937-38 April	1937-38 July	1937-38 October	1937-38 January	1938-39 April	1938-39 July	1938-39 October	1938-39 January	1939-40 April	1939-40 July	1939-40 October	1939-40 January	1940 April
		R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.
Tea—Sale Average* (Calcutta)—																		
Assam	Lb.	0 7 3	0 8 10	0 7 11	0 7 10	0 10 9	0 12 2	0 12 0	0 10 9	0 10 7	0 11 6	0 9 9	0 9 11	0 9 5	0 12 9	0 12 5	0 13 3	0 10 8
Cachar	,,	0 6 4	0 6 9	0 6 9	0 7 1	0 10 6	0 10 10	0 11 1	0 10 0	0 9 9	0 9 1	0 8 8	0 8 8	0 8 10	0 9 4	0 10 3	0 11 7	0 9 3
Sylhet	,,	0 6 6	0 6 0	0 6 9	0 7 0	0 10 5	0 10 10	0 11 0	0 9 11	0 9 10	0 9 0	0 8 8	0 8 7	0 8 10	0 9 4	0 10 3	0 11 8	0 8 9
Darjeeling	,,	0 8 9	0 11 7	0 9 11	0 10 6	0 13 5	1 0 0	0 12 6	0 14 7	0 14 5	0 13 10	0 10 9	1 0 4	1 1 1	0 14 2	0 12 6	0 13 4	0 11 8
Dooars	,,	0 7 5	0 7 11	0 7 5	0 7 6	0 11 4	0 11 4	0 11 4	0 10 7	0 10 9	0 9 7	0 9 0	0 9 3	0 10 3	0 10 6	0 10 8	0 12 4	0 10 1
Terai	,,	0 7 0	0 7 2	0 7 0	0 7 2	0 10 10	0 10 11	0 11 0	0 10 1	0 10 4	0 9 1	0 8 7	0 8 11	0 9 2	0 9 8	0 10 7	0 12 9	0 9 2
Chittagong	,,	..	0 6 10	0 6 8	0 7 0	0 10 4	0 10 2	0 10 9	0 9 6	0 9 7	0 8 6	0 8 5	0 7 8	..	0 9 1	0 9 6	0 11 1	0 8 3
All other places	,,	0 5 11	0 6 9	0 6 10	0 6 8	0 11 3	0 10 6	0 10 9	0 9 10	0 9 10	0 9 0	0 8 8	0 8 4	0 8 9	0 9 1	0 10 4	..	0 8 5
General Average	,,	0 7 10	0 7 10	0 7 7	0 7 7	0 11 9	0 11 7	0 11 8	0 10 8	0 11 8	0 10 0	0 9 4	0 9 8	0 11 7	0 11 1	0 11 6	0 12 10	0 10 2
Sale average for tea sold for internal consumption.	,,	..	..	..	..	0 5 7	0 5 5	0 5 1	0 4 4	0 4 10	0 4 4	0 4 2	0 3 11	..	0 4 3	0 5 0	0 5 1	0 5 1
Jute raw—																		
Jat and Dist. 3's (European) (Calcutta).	Maund	..	..	..	..	7 8 0 (f)	7 6 0	7 4 0	6 8 0 (f)	6 2 0 (f)	6 2 0† (f)	6 12 0‡	7 8 0‡	9 0 0 (m)	8 4 0 (m)	9 8 0 (m)	17 8 0 (m)	13 0 0 (m)
Firsts (Calcutta)	400 lbs.	59 0 0 (f)	69 0 0 (f)	83 0 0 (f)	85 8 0 (f)	41 0 0	38 4 0	36 12 0	31 12 0	30 4 0	32 12 0	34 12 0	35 4 0	46 12 0	41 8 0	50 8 0	98 8 0	63 12 0
Lightnings (Calcutta)	,,	54 0 0 (g)	..	76 0 0 (g)	73 0 0 (g)	39 4 0	37 4 0	34 12 0	30 0 0	28 8 0	30 12 0	32 0 0	32 0 0	43 4 0	38 8 0	48 0 0	90 8 0	56 12 0
Jute manufactures—																		
B. Twills, 2½-lbs. 44 × 2⅞, 6 × 8 (Calcutta).	100 bags	34 0 0	33 8 0	41 0 0	37 4 0	24 0 0	21 1 0	21 6 0	20 0 0	20 9 0	20 8 0	22 14 0	23 11 0	27 7 0	26 14 0	36 6 0	58 0 0	37 4 0
Hessian Cloth 8-oz 40" (Calcutta)	100 yds.	12 14 0	13 0 0	16 8 0	13 14 0	9 4 0	8 3 0	7 8 6	6 12 0	6 13 0	6 11 0	7 10 6	7 15 0	9 4 6	8 15 0	13 11 0	19 10 0	12 7 0
Hessian Cloth 10½-oz. 40" (Calcutta).	,,	17 0 0	17 0 0	21 10 0	17 0 0	11 2 0	9 15 0	9 10 6	8 14 0	8 11 0	8 11 0	9 5 0	9 10 0	11 7 6	11 3 0	17 10 0	24 1 0	15 2 0
Cotton, raw, M. G. F. G., Broach (Bombay).	Candy (784 lbs.)	317 0 0	287 0 0	..	292 0 0	250 0 0	218 0 0	168 0 0	175 0 0	163 0 0	113 0 0	156 0 0	161 0 0	153 0 0	160 0 0	186 0 0	331 0 0	231 0 0
Cotton yarn (Indian)—																		
Twist, No. 10s (Bombay)	lb.	0 7 1½ (a)	0 6 10½ (a)	0 7 3 (a)	0 6 9 (a)	0 6 4	0 6 1	0 6 0	0 5 7	0 5 8	0 4 10	0 4 10	0 4 8	0 4 5	0 4 7	0 5 6	0 7 8	0 6 8
,, No. 20s (Bombay)	,,	0 8 3	0 8 1½	0 8 6	0 7 10½	0 8 1	0 7 11	0 7 8	0 7 3	0 7 4	0 6 10	0 6 8	0 6 5	0 6 3	0 6 3	0 7 2	0 9 10	0 8 11
Cotton yarn (Imported) Twist No. 40s (Bombay).	,,	0 12 4	0 12 3	0 12 6	0 12 4	0 13 9 (n)	0 14 3 (n)	0 14 9 (n)	0 13 3 (n)	0 13 4½ (n)	0 11 9 (n)	0 11 0 (n)	0 9 9 (n)	0 9 10 (n)	0 9 6 (n)	0 11 3 (n)	0 13 9 (n)	0 12 9 (n)
Cotton piecegoods (Indian)—																		
Longcloths (standard quality) 37" × 37½ yds. 9 lbs. (Bombay).	,,	0 10 9 (b)	0 10 9 (b)	0 10 3 (b)	0 10 0 (b)	0 10 1	0 9 10	0 9 8	0 9 6	0 9 8	0 9 6	0 9 6	0 9 1	0 8 11	0 8 9	0 9 5	0 12 8	0 11 0
Domestics 35" × 40 yds. 12 lbs. (Bombay).	,,	0 10 6 (c)	0 10 3 (c)	0 10 0 (c)	0 9 9 (c)	0 8 3	0 8 5	0 8 0	0 7 9	0 7 11	0 7 10	0 7 10	0 7 8	0 7 2	0 7 0	0 7 3	0 10 9	..
Chadars 50" × 6 yds. 2½ lbs. (Bombay).	,,	0 10 3 (d)	0 10 3 (d)	0 10 0 (d)	0 9 9 (d)	0 9 9	0 9 9	0 9 9	0 9 7	0 9 7	0 9 9	0 9 9	0 9 8	0 9 6	0 9 0	0 9 2	0 12 4	0 10 11
Cotton piecegoods (Imported)—																		
U. K. White shirtings 1,500, 32"/33" × 42 yds. (Bombay)	P'ece	10 6 0 (p)	10 5 0 (p)	10 8 0 (p)	10 8 6 (p)	12 14 0	12 14 0	12 14 0	12 8 0	12 6 0	..	.	13 0 0	13 0 0	13 0 0	14 4 0	15 14 0	15 12 0
Japanese Grey shirtings "Bow & arrow" 44" × 46 yds. (Bombay)	,,	5 12 0 (q)	5 12 0 (q)	5 13 6 (q)	5 11 0 (q)	10 2 0	10 11 0	10 14 0	10 9 0	9 13 0	9 4 0	9 2 0	8 9 0	8 6 6	8 2 0	8 6 0	9 12 0	8 12 0
U. K. White mulls, 40" × 20 yds. No. 56666 (Bombay).	,,	5 0 6 (r)	5 1 0 (r)	5 1 0 (r)	5 1 0 (r)	5 6 0	5 8 0	5 10 0	..	5 8 0	5 6 0	5 6 0	5 6 0	5 4 6	4 14 0	5 4 0	6 4 0	6 0 0
Rice—																		
Seeta, No. 1 (Calcutta)	B. Md.	6 6 0	6 14 0	7 0 0	6 8 0	3 14 0	3 14 0	4 4 0	3 14 0	3 5 0	3 11 0	4 5 0	3 10 0 (f)	3 14 0	4 14 0	5 8 0	4 12 0	5 5 0
Balam, No. 1 (Calcutta)	,,	5 7 0	6 4 0	5 14 0	5 8 0	3 14 0 (h)	4 3 0 (h)	4 2 0 (h)	4 2 0 (h)	3 11 0 (h)	4 0 0 (h)	4 4 0 (h)	3 12 0 (f)	4 2 0 (f)	4 12 0 (h)	5 2 0	4 10 0	4 13 0

NOTE.—The figures represent the maximum prices in the first week of each month, but where quotations are not available for that week, for the nearest period. The blanks indicate that no quotations were available.

* April prices relate to the first sale in June each year except for 1939 in which year the prices relate to first sale in May. From 1935-36 the prices relate to teas sold with export right.

(a) Yarn, 10s.
(b) Longcloth 36" × 37½ yds., 9 lbs.
(c) T-cloths 28" × 24 yds., 5 lbs.
(d) Chadars, 54" × 6 yds., 2½ lbs.

(f) Red Group.

(g) Red Group.

(h) Shipment quality.
(i) Jat and Dist. 4's. (European).
(j) New Crop.
(m) Jat and Dist. Middles (European).
(n) 2-42s Japanese Grey Yarn, "Five Stars".
(p) Lakpusa's shirtings 1,500 (Bombay).

† Jat and Dist. R's
‡ ,, ,, ,, Tops.

		1938-39				1939-40				1940
or	January	April	July	October	January	April	July	October	January	April
P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
0	0 10 9	0 10 7	0 11 6	0 9 9	0 9 11	0 9 5	0 12 9	0 12 5	0 13 3	0 10 8
1	0 10 0	0 9 9	0 9 1	0 8 8	0 8 8	0 8 10	0 9 4	0 10 3	0 11 7	0 9 3
0	0 9 11	0 9 10	0 9 0	0 8 8	0 8 7	0 8 10	0 9 4	0 10 3	0 11 8	0 8 9
6	0 14 7	0 14 5	0 13 10	0 10 9	1 0 4	1 1 1	0 14 2	0 12 6	0 13 4	0 11 8
4	0 10 7	0 10 9	0 9 7	0 9 0	0 9 3	0 10 3	0 10 6	0 10 8	0 12 4	0 10 1
0	0 10 1	0 10 4	0 9 1	0 8 7	0 8 11	0 9 2	0 9 8	0 10 7	0 12 9	0 9 2
9	0 9 6	0 9 7	0 8 6	0 8 5	0 7 8	..	0 9 1	0 9 6	0 11 1	0 8 3
9	0 9 10	0 9 10	0 9 0	0 8 8	0 8 4	0 8 9	0 9 1	0 10 4	..	0 8 5
8	0 10 8	0 11 8	0 10 0	0 9 4	0 9 8	0 11 7	0 11 1	0 11 6	0 12 10	0 10 2
1	0 4 4	0 4 10	0 4 4	0 4 2	0 3 11	..	0 4 3	0 5 0	0 5 1	0 5 1
0	(i) 6 8 0	(i) 6 2 0	(j) 6 2 0†	6 12 0‡	7 8 0‡	(m) 9 0 0	(m) 8 4 0	(m) 9 8 0	(m) 17 8 0	(m) 13 0 0
0	31 12 0	30 4 0	32 12 0	34 12 0	35 4 0	46 12 0	41 8 0	50 8 0	93 8 0	63 12 0
0	30 0 0	28 8 0	30 12 0	32 0 0	32 0 0	43 4 0	38 8 0	48 0 0	90 8 0	56 12 0
0	20 0 0	20 9 0	20 8 0	22 11 0	23 11 0	27 7 0	26 14 0	36 6 0	58 0 0	37 4 0
6	6 12 0	6 13 0	6 11 6	7 10 6	7 15 0	9 4 6	8 15 0	13 11 0	19 10 0	12 7 0
6	8 14 0	8 11 0	8 11 0	9 5 0	9 10 0	11 7 6	11 3 0	17 10 0	24 1 0	15 2 0
0	175 0 0	163 0 0	148 0 0	156 0 0	161 0 0	153 0 0	160 0 0	186 0 0	331 0 0	231 0 0
0	0 5 7	0 5 8	0 4 10	0 4 10	0 4 8	0 4 5	0 4 7	0 5 6	0 7 8	0 6 8
8	0 7 3	0 7 4	0 6 10	0 6 8	0 6 5	0 6 3	0 6 3	0 7 2	0 9 10	0 8 11
9	(n) 0 13 3	(n) 0 13 4½	(n) 0 11 9	(n) 0 11 0	(n) 0 9 9	(n) 0 9 10	(n) 0 9 6	(n) 0 11 3	(n) 0 13 9	(n) 0 12 9
8	0 9 6	0 9 8	0 9 6	0 9 6	0 9 1	0 8 11	0 8 9	0 9 5	0 12 8	0 11 0
0	0 7 0	0 7 11	0 7 10	0 7 10	0 7 8	0 7 2	0 7 0	0 7 3	0 10 9	..
9	0 9 7	0 9 7	0 9 9	0 9 9	0 9 8	0 9 6	0 9 0	0 9 2	0 12 4	0 10 11
0	12 8 0	12 6 0	..	..	13 0 0	13 0 0	13 0 0	14 4 0	15 14 0	15 12 0
0	10 0 0	9 13 0	9 4 0	9 2 0	8 9 0	8 6 0	8 2 0	8 6 0	9 12 0	8 12 0
0	..	5 8 0	5 6 0	5 6 0	5 6 0	5 4 0	4 14 0	5 4 0	6 4 0	6 0 0
0	3 14 0	3 5 0	3 11 0	4 5 0	(f) 3 10 0	3 14 0	4 14 0	5 8 0	4 12 0	5 5 0
0	(h) 4 2 0	(h) 3 11 0	(h) 4 0 0	(h) 4 4 0	(j) 3 12 0	(f) 4 2 0	(h) 4 12 0	5 2 0	4 10 0	4 13 0

he nearest period. The blanks indicate that no quotations were available.
es relate to first sale in May. From 1935-36 the prices relate to teas sold with export right.

(g) ⅔ Red Group.

† Jat and Dist. R's.
‡ " " " Tops.

(h) Shipment quality.
(i) Jat and Dist. 4's. (European).
(j) New Crop.
(m) Jat and Dist. Middles (European).
(n) 2-42s Japanese Grey Yarn, "Five Stars".
(p) Lalpman's shirtings 1,500 (Bombay).

No. 54.—Wholesale Prices in India.

Articles	Rate per	1913-14 April	1913-14 July	1913-14 October	1913-14 January	1937-38 April	1937-38 July	1937-38 October	1937-38 January	1938-39 April	1938-39 July	1938-39 October	1938-39 January	1939-40 April	1939-40 July	1939-40 October	1939-40 January	1940 April
		R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
Tea—Sale Average* (Calcutta)—																		
Assam	Lb.	0 7 3	0 8 10	0 7 11	0 7 10	0 10 9	0 12 2	0 12 0	0 10 9	0 10 7	0 11 6	0 9 9	0 9 11	0 9 5	0 12 9	0 12 5	0 13 3	0 10 8
Cachar	,,	0 6 4	0 6 9	0 6 9	0 7 1	0 10 6	0 10 10	0 11 1	0 10 0	0 9 9	0 9 1	0 8 8	0 8 8	0 8 10	0 9 4	0 10 3	0 11 7	0 9 3
Sylhet	,,	0 6 6	0 6 9	0 6 9	0 7 0	0 10 5	0 10 10	0 11 0	0 9 11	0 9 10	0 9 0	0 8 8	0 8 7	0 8 10	0 9 4	0 10 3	0 11 8	0 8 9
Darjeeling	,,	0 8 9	0 11 7	0 9 11	0 10 6	0 13 5	1 0 0	0 12 6	0 14 7	0 14 5	0 13 10	0 10 9	1 0 4	1 1 1	0 14 2	0 12 6	0 13 4	0 11 8
Dooars	,,	0 7 5	0 7 11	0 7 5	0 7 6	0 11 4	0 11 4	0 11 4	0 10 7	0 10 9	0 9 7	0 9 0	0 9 3	0 10 3	0 10 6	0 10 8	0 12 4	0 10 1
Terai	,,	0 7 0	0 7 2	0 7 0	0 7 2	0 10 10	0 10 11	0 11 0	0 10 1	0 10 4	0 9 1	0 8 7	0 8 11	0 9 2	0 9 8	0 10 7	0 12 9	0 9 2
Chittagong	,,	..	0 6 10	0 6 8	0 7 0	0 10 4	0 10 2	0 10 9	0 9 6	0 9 7	0 8 6	0 8 5	0 7 8	..	0 9 1	0 9 6	0 11 1	0 8 8
All other places	,,	0 5 11	0 6 9	0 8 10	0 6 8	0 11 3	0 10 6	0 10 9	0 9 10	0 9 10	0 9 0	0 8 8	0 8 4	0 8 9	0 9 1	0 10 4	..	0 8 5
General Average	,,	0 7 10	0 7 10	0 7 7	0 7 7	0 11 9	0 11 7	0 11 8	0 10 8	0 11 8	0 10 0	0 9 4	0 9 8	0 11 7	0 11 1	0 11 6	0 12 10	0 10 2
Sale average for tea sold for internal consumption.	,,	..	..	..	..	0 5 7	0 5 5	0 5 1	0 4 4	0 4 10	0 4 4	0 4 2	0 3 11	..	0 4 3	0 5 0	0 5 1	0 5 1
Jute raw—																		
Jat and Dist. 3's (European) (Calcutta).	Maund	..	..	..	..	7 8 0 (i)	7 6 0	7 4 0	6 8 0 (i)	6 2 0 (i)	6 2 0†	6 12 0‡	7 8 0‡	9 0 0 (m)	8 4 0 (m)	9 8 0 (m)	17 8 0 (m)	13 0 0 (m)
Firsts (Calcutta)	400 lbs.	59 0 0 (f)	69 0 0 (f)	83 0 0 (f)	85 8 0 (f)	41 0 0	38 4 0	36 12 0	31 12 0	30 4 0	32 12 0	34 12 0	35 4 0	46 12 0	41 8 0	50 8 0	93 8 0	63 12 0
Lightnings (Calcutta)	,,	54 0 0 (g)	..	76 0 0 (g)	73 0 0 (g)	39 4 0	37 4 0	34 12 0	30 0 0	28 8 0	30 12 0	32 0 0	32 0 0	43 4 0	38 8 0	48 0 0	90 8 0	56 12 0
Jute manufactures—																		
B. Twills, 2½-lbs. 44 × 2½, 6 × 8 (Calcutta).	100 bags	34 0 0	33 8 0	41 0 0	37 4 0	24 0 0	21 1 0	21 6 0	20 0 0	20 9 0	20 8 0	22 14 0	23 11 0	27 7 0	26 14 0	36 6 0	58 0 0	37 4 0
Hessian Cloth 8-oz 40" (Calcutta)	100 yds.	12 14 0	13 0 0	16 8 0	13 14 0	9 4 0	8 3 0	7 8 0	6 12 0	6 13 0	6 11 6	7 10 6	7 13 0	9 4 6	8 15 0	13 11 0	19 10 0	12 7 0
Hessian Cloth 10½-oz. 40" (Calcutta).	,,	17 0 0	17 0 0	21 10 0	17 0 0	11 2 0	9 15 0	9 10 6	8 14 0	8 11 0	8 11 0	9 0 0	9 10 0	11 7 6	11 3 0	17 10 0	21 1 0	15 2 0
Cotton, raw, M. G. F. G., Broach (Bombay).	Candy (784 lbs.)	317 0 0	237 0 0	..	292 0 0	250 0 0	218 0 0	168 0 0	175 0 0	163 0 0	145 0 0	156 0 0	161 0 0	153 0 0	160 0 0	186 0 0	331 0 0	231 0 0
Cotton yarn (Indian)—																		
Twist, No. 10⅛s (Bombay)	lb.	0 7 1½ (a)	0 6 10½ (a)	0 7 3 (a)	0 6 9 (a)	0 6 4	0 6 1	0 6 0	0 5 7	0 5 8	0 4 10	0 4 10	0 4 8	0 4 5	0 4 7	0 5 6	0 7 8	0 6 8
,, No. 20s (Bombay)	,,	0 8 3	0 8 1½	0 8 6	0 7 10½	0 8 1	0 7 11	0 7 8	0 7 3	0 7 4	0 6 10	0 6 8	0 6 5	0 6 3	0 6 3	0 7 2	0 9 10	0 8 11
Cotton yarn (Imported) Twist No. 40s (Bombay).	,,	0 12 4	0 12 3	0 12 6	0 12 4	0 13 9 (n)	0 14 3 (n)	0 14 9 (n)	0 15 5 (n)	0 13 4½ (n)	0 11 9 (n)	0 11 0 (n)	0 9 9 (n)	0 9 10 (n)	0 9 6 (n)	0 11 3 (n)	0 13 9 (n)	0 12 9 (n)
Cotton piecegoods (Indian)—																		
Longcloths (standard quality) 37" × 37½ yds. 9 lbs. (Bombay).	,,	0 10 9 (b)	0 10 9 (b)	0 10 8 (b)	0 10 0 (b)	0 10 1	0 9 10	0 9 8	0 9 6	0 9 8	0 9 6	0 9 6	0 9 1	0 8 11	0 8 9	0 9 5	0 12 8	0 11 0
Domestics 55" × 40 yds. 12 lbs. (Bombay).	,,	0 10 6 (c)	0 10 3 (c)	0 10 0 (c)	0 9 9 (c)	0 8 3	0 8 5	0 8 0	0 7 9	0 7 11	0 7 10	0 7 10	0 7 8	0 7 2	0 7 0	0 7 8	0 10 9	..
Chadars 50" × 6 yds. 2¼ lbs. (Bombay).	,,	0 10 3 (d)	0 10 3 (d)	0 10 6 (d)	0 9 9 (d)	0 9 9	0 9 9	0 9 9	0 9 7	0 9 7	0 9 9	0 9 9	0 9 [illegible]	0 9 6	0 9 0	0 9 2	0 12 4	0 10 11
Cotton piecegoods (Imported)—																		
U. K. White shirtings ‡ 1,500, 32"/33" × 42 yds. (Bombay).	P'ece	10 6 0 (p)	10 5 0 (p)	10 9 0 (p)	10 8 6 (p)	12 14 0	12 14 0	12 14 0	12 8 0	12 6 0	..	..	13 0 0	11 0 0	13 0 0	14 4 0	15 14 0	15 12 0
Japanese Grey shirtings "Bow & arrow" 44" × 46 yds. (Bombay)	,,	5 12 0 (q)	5 12 0 (q)	5 13 6 (q)	5 11 0 (q)	10 2 0	10 11 0	10 14 0	10 0 0	9 13 6	9 4 0	9 2 0	8 9 0	8 6 6	8 2 0	8 6 0	9 12 0	8 12 0
U. K. White mulls, 49" × 20 yds. No. 66666 (Bombay).	,,	5 0 6 (r)	5 1 0 (r)	5 1 0 (r)	5 1 0 (r)	5 6 0	5 8 0	5 10 0	..	5 8 0	5 6 0	5 6 0	5 0 0	5 4 6	4 14 0	5 4 0	6 4 0	6 0 0
Rice—																		
Seeta, No. 1 (Calcutta)	B. Md.	6 6 0	6 14 0	7 0 0	6 8 0	3 14 0	3 14 0	4 4 0	3 14 0	3 5 0	3 14 0	4 5 0	3 10 0 (j)	3 14 0	4 14 0	5 8 0	4 12 0	5 5 0
Ballam, No. 1 (Calcutta)	,,	5 7 0	6 4 0	5 14 0	5 8 0	3 14 0 (h)	4 3 0 (h)	4 2 0 (h)	4 2 0 (h)	3 11 0 (h)	4 0 0 (h)	4 4 0 (h)	3 12 0 (j)	4 2 0 (j)	4 12 0 (h)	5 2 0	4 10 0	4 13 0

NOTE.—The figures represent the maximum prices in the first week of each month, but where quotations are not available for that week, for the nearest period. The blanks indicate that no quotations were available.

* April prices relate to the first sale in June each year except for 1940 in which year the prices relate to first sale in May. From 1935-36 the prices relate to teas sold with export right.

(a) Yarn, 10s.
(b) Longcloth 36" × 37½ yds., 9 lbs.
(c) T-cloths 28" × 24 yds., 5 lbs.
(d) Chadars, 54" × 6 yds., 2¼ lbs.

(f) Red Star Group.

(g) Red Group.

(h) Shipment quality.
(i) Jat and Dist. 4's. (European).
(j) New Crop.
(m) Jat and Dist. Middles (European).
(n) 2-42s Japanese Grey Yarn, "Five Stars".
(p) Leipman's shirtings 1,500 (Bombay).
(q) Grey shirtings Fari 2,000 (Bombay).
(r) White mulls, 6,000 (Bombay).

† Jat and Dist. R's.
‡ ,, ,, ,, Tops.

No. 54.—Wholesale Prices in India—*continued*

Articles	Rate per	1913-14 April	1913-14 July	1913-14 October	1913-14 January	1927-28 April	1927-28 July	1927-28 October	1927-28 January	1928-29 April	1928-29 July	1928-29 October	1928-29 January	1929-30 April	1929-30 July	1929-30 October	1929-30 January	1930 April
		R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.
Wheat—																		
Delhi No. 1, white Pessy (Bombay).	Cwt.	(d) 5 7 0	(d) 5 4 0	(d) 5 9 6	(d) 5 6 0	6 0 0	5 8 0	5 8 0	5 3 0	4 7 0	4 5 0	4 1 0	4 10 0	4 4 0	4 3 0	4 12 0	5 14 0	5 3 0
Punjab white (Karachi)	Candy (656 lbs.)	31 8 0	30 4 0	29 6 0	29 12 0	34 0 0	31 6 6	30 7 0	28 3 0	23 4 0	22 12 6	20 6 0	24 2 0	22 2 6	22 2 6	25 7 0	33 1 0	27 0 6
White (Lyallpur)	B. Md.	3 7 0	3 3 0	3 0 0	3 6 0	3 8 6	3 4 6	3 4 9	2 15 3	2 3 9	2 2 6	2 0 6	2 8 6	2 4 0	2 3 3	2 9 6	3 10 0	3 0 0
Linseed—																		
Bold (Bombay)	Cwt.	7 13 6	8 1 0	8 2 0	8 2 0	8 3 0	8 1 0	8 3 6	8 0 0	7 7 9	7 4 6	6 10 0	7 4 0	6 14 3	7 1 6	7 10 0	11 13 0	9 8 0
Small grains 5% refraction (Calcutta).	Indian Md.	(b) 5 3 0	(b) 5 9 0	(b) 5 11 0	(b) 6 14 0	6 3 0	5 14 6	6 2 6	5 11 6	5 5 0	5 0 6	4 12 6	5 0 0	4 14 0	4 15 0	5 9 0	8 2 0	6 8 0
Groundnuts—																		
Machine decorticated (Madras)	Candy (500 lbs.)	(e) 43 0 0	(e) 46 0 0	(e) 45 0 0	(e) 42 0 0	37 3 0	35 1 0	30 13 0	26 6 0	23 5 0	26 6 0	23 5 0	24 8 0	24 4 0	28 12 0	30 2 0	30 2 0	31 12 0
(Bombay)	Cwt.	10 6 0	..	10 1 6	9 15 6	8 12 0	8 0 0	6 12 0	5 15 6	5 6 0	5 15 0	5 3 0	5 12 0	5 5 0	6 2 6	6 9 0	7 15 0	7 7 0
Rapeseed—																		
Toria 9% (Karachi)	Candy (656 lbs.)	..	..	..	..	44 4 0	42 8 0	42 10 0	41 12 0	33 12 0	34 6 0	31 0 0	38 8 0	33 14 0	37 3 0	41 14 0	49 4 0	39 12 0
Brown, Cawnpore (Bombay)	Cwt.	8 12 0	8 3 6	..	..	(c) 7 8 0	(e) 7 6 0	(e) 7 8 0	(e) 7 6 0	(c) 6 10 0	(c) 7 0 0	(c) 6 14 0	(c) 6 12 0	(e) 6 12 0	(e) 7 2 0	(e) 7 14 0	(e) 10 0 0	(e) 7 8 0
Gingelly—White, Bold (Bombay)	,,	12 6 6	..	12 6 0	12 0 0	9 11 0	9 7 0	8 12 0	7 13 0	7 10 6	8 1 0	7 12 0	7 10 6	7 7 0	7 13 0	8 6 0	9 2 0	9 10 0
Castor seed—Ordinary F. A. (Bombay).	,,	7 2 0	7 4 6	7 3 0	7 2 0	7 10 0	7 5 6	(d) 7 8 0	(d) 7 4 0	(d) 6 7 0	(d) 6 1 0	(d) 5 9 0	(d) 5 14 0	(d) 5 7 0	(d) 5 14 0	(d) 7 9 0	(d) 11 1 0	(d) 9 5 0
Cotton seed—(Bombay)	,,	3 11 0	3 10 0	3 10 0	3 8 0	3 0 0	2 13 0	2 8 0	2 11 0	2 9 0	2 13 0	2 12 0	3 2 0	3 6 6	3 11 0	4 8 0	3 13 0	3 8 0
Castor oil—																		
No. 1 Fine pale (Calcutta)	B. Md.	(a) 19 8 6	(a) 19 8 0	(a) 20 8 6	(a) 20 8 6	16 8 0	15 12 0	16 8 0	17 0 0	15 8 0	15 4 0	14 8 0	14 4 0	14 6 0	14 0 0	17 12 0	19 14 0	20 6 0
(Madras)	Candy (500 lbs.)	80 0 0	81 0 0	79 0 0	80 0 0	73 10 0	69 2 0	76 2 0	72 2 0	63 2 0	63 2 0	61 2 0	62 2 0	52 2 0	53 10 0	75 0 0	90 0 0	84 0 0
Coconut oil (Cochin)	Candy	..	..	..	..	120 0 0	96 0 0	91 0 0	76 0 0	61 0 0	63 4 0	65 0 0	65 0 0	58 8 0	66 0 0	77 0 0	103 8 0	78 0 0
Groundnut Cake (Calcutta)	B. Md.	..	..	..	..	2 9 0	2 9 0	2 7 0	2 0 0	1 14 0	2 5 0	2 0 0	2 4 0	2 0 0	2 4 0	2 5 0	2 2 0	1 15 0
Bonemeal—																		
Ground Steamed (Calcutta)	20 cwts	80 0 0	80 0 0	81 0 0	85 0 0	100 0 0	105 0 0	105 0 0	100 0 0	100 0 0	100 0 0	95 0 0	90 0 0	90 0 0	90 0 0	95 0 0	100 0 0	100 0 0
,, Unsteamed (Calcutta)	,,	71 8 0	72 0 0	75 0 0	78 0 0	60 0 0	70 0 0	70 0 0	65 0 0	65 0 0	55 0 0	52 0 0	52 0 0	53 0 0	53 0 0	60 0 0	80 0 0	65 0 0
Indigo—Bengal and Tirhoot, Midlg. to good, 60 to 66% (Calcutta) nominal.	Fy. Md. (74-67 lbs.)	..	..	..	..	132 8 0	182 8 0	182 8 0	132 8 0	132 8 0	132 8 0	132 8 0	115 0 0	115 0 0	115 0 0	115 0 0	197 8 0	197 8 0
Wool—Kandahar (Karachi)	Md. (82 lbs.)	26 0 0	27 0 0	27 8 0	29 0 0	35 0 0	33 0 0	29 0 0	(m) 40 0 0	(m) 30 0 0	(m) 26 0 0	(m) 32 0 0	(m) 32 0 0	(m) 32 0 0	(m) 32 0 0	(m) 34 0 0	(m) 44 0 0	(m) 45 0 0
Shellac, T. N. (Calcutta)	B. Md.	42 8 0	46 8 0	50 0 0	43 8 0	23 8 0	18 0 0	18 8 0	17 8 0	15 8 0	13 12 0	14 8 0	16 8 0	13 0 0	13 8 0	20 0 0	36 0 0	28 0 0
Coffee—(Bangalore)—																		
Nilgiri Peaberry	Cwt.					70 0 0	66 0 0	69 0 0	62 0 0	60 0 0	60 0 0	64 0 0	66 0 0	56 0 0	60 0 0	60 0 0	64 0 0	68 0 0
Native Peaberry	Md. of 28 lbs.	..	..	..	..	11 8 0	11 4 0	11 8 0	10 0 0	9 8 0	10 8 0	11 0 0	10 0 0	8 12 0	9 4 0	9 4 0	10 0 0	11 0 0
Nilgiri Parchment	Cwt.					52 0 0	46 0 0	49 0 0	42 0 0	42 0 0	48 0 0	48 0 0	49 0 0	48 0 0	50 0 0	48 0 0	(h) 48 0 0	(h) 52 0 0
Native flat	Md. of 28 lbs.					9 12 0	9 8 0	9 6 0	8 0 0	7 8 0	8 8 0	9 0 0	9 0 0	7 0 0	7 8 0	7 8 0	9 0 0	9 8 0
Hides, Cow—																		
Agras (Calcutta)	20 lbs.	22 0 0	18 12 0	..	22 8 0	11 0 0	10 8 0	10 8 0	10 4 0	9 4 0	8 8 0	8 8 0	8 8 0	8 8 0	8 8 0	9 0 0	11 0 0	11 0 0
Durbhangas (Calcutta)	,,	7 8 0	14 0 0	16 4 0	18 12 0	7 12 0	7 8 0	7 8 0	7 8 0	6 8 0	5 8 0	5 8 0	5 8 0	5 8 0	6 0 0	6 8 0	9 0 0	9 0 0
Patnas (Calcutta)	,,	13 0 0	11 0 0	13 0 0	13 0 0	7 8 0	7 4 0	7 0 0	7 0 0	5 8 0	4 12 0	4 12 0	4 12 0	4 12 0	5 0 0	6 0 0	8 0 0	8 0 0
Salted (Calcutta)	,,	14 0 0	11 0 0	13 0 0	12 8 0	7 12 0	7 0 0	7 0 0	6 0 0	4 8 0	4 0 0	4 8 0	4 8 0	4 12 0	4 12 0	6 0 0	7 8 0	7 8 0
Hides, Buffalo. Arsenicated (Calcutta)	,,	15 8 0	14 0 0	14 0 0	15 0 0	7 0 0	6 4 0	6 4 0	6 12 0	6 8 0	5 8 0	5 4 0	5 4 0	5 4 0	5 12 0	7 0 0	7 0 0	7 0 0
Skins, Goat (Calcutta)	100 pieces	150 0 0	125 0 0	130 0 0	150 0 0	130 0 0	135 0 0	140 0 0	125 0 0	115 0 0	100 0 0	100 0 0	105 0 0	115 0 0	110 0 0	135 0 0	140 0 0	135 0 0
Sugar—																		
Marhowrah, Crystal No. 1, ex-factory (Cawnpore).	Maund	(g) 7 7 6	(g) 7 7 6	(g) 6 15 0	(g) 6 12 3	6 8 6	6 2 6	6 6 6	6 13 0	7 9 3	7 13 0	9 12 0	10 0 0	10 14 0	10 12 0	10 14 0	12 8 0	12 6 0
Java, T. M. O. (Bombay)	Cwt.	10 10 0	10 4 0	10 5 0	9 11 0	13 0 0	..	15 4 0	15 9 0	15 1 0	15 4 0	15 8 0	(c) 16 12 0	15 15 0	15 0 0	16 0 0	19 7 0	18 8 0
Kerosene oil—																		
White Rose (Calcutta)	Case	(k) 5 14 0	(k) 5 14 0	(k) 5 14 0	(k) 7 14 0	(f) 8 9 6	(f) 8 9 6	(f) 8 9 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 8 6	(f) 9 0 6	(f) 9 6 6	(f) 9 11 6
Rising Sun (Calcutta)	2 tins	4 3 0	4 4 0	4 4 0	4 5 0	(f) 6 1 6	(f) 6 1 6	(f) 6 1 6	(f) 6 2 6	(f) 6 2 6	(f) 6 2 6	(f) 6 0 6	(f) 6 0 6	(f) 6 0 6	(f) 5 14 6	(f) 6 2 6	(f) 6 13 6	(f) 6 1 6
Victoria (Calcutta)	,,	3 8 0	3 8 0	3 8 0	3 8 0	(f) 5 9 6	(f) 5 9 6	(f) 5 9 6	(f) 5 10 6	(f) 5 10 6	(f) 5 10 6	(f) 5 8 6	(f) 5 8 6	(f) 5 8 6	(f) 5 6 6	(f) 5 10 6	(f) 5 14 6	(f) 6 1 6
Salt—																		
Aden Fine, ex ship (Calcutta)†	100 Mds.	(f) 56 0 0	(f) 57 0 0	(f) 51 0 0	(f) 56 0 0	50 0 0	52 0 0	52 0 0	40 0 0	40 0 0	51 0 0	37 0 0	34 0 0	..	37 0 0	107 0 0	98 0 0	72 0 0
Black Bombay (Bombay)‡	,,	..	..	..	..	225 0 0	237 8 0	250 0 0	218 12 0	206 4 0	218 12 0	212 8 0	212 8 0	206 4 0	206 4 0	218 12 0	225 0 0	237 8 0

† The prices exclude duty and port and handling charges.
‡ ,, ,, include duty and other charges.

(a) Relates to Fair Firsts.
(b) Small to medium, per B. Md.
(c) Nominal.
(d) Delhi, white.
(e) Ordinary per candy of 520 lbs.
(f) Ex-Narkuldanga.
(g) Java, T. M. O. (Calcutta).
(h) Nilgiri Flat.
(f) Liverpool.
(k) Snowflake.
(l) Small Hyderabad quality.
(m) Cleaned.

No. 55.—Prices of cotton, raw and Index Numbers of cotton, raw and cloth in Liverpool.

(Compiled from F. W. Tattersall's Cotton Trade Review.)

		Prices of cotton, raw American Middling (Pence per lb.)	Index Numbers Basis—100 as Average price, 1930.	
			Cotton, raw American	Cloth
1939				
April	6	4·92	66	101
	14	4·93	66	100
	21	4·99	67	100
	28	5·00	67	100
May	5	5·28	71	101
	12	5·33	72	102
	19	5·54	75	103
	26	5·48	74	103
June	1	5·49	74	103
	9	5·77	78	104
	16	5·76	78	104
	23	5·66	76	104
	30	5·62	76	104
July	7	5·61	76	104
	14	5·52	74	104
	21	5·23	70	103
	28	5·40	73	103
August	4	5·28	71	103
	11	5·22	70	103
	18	5·14	69	103
	25	5·52	74	104
September	1	5·71	77	105
	8	7·03	95	..
	15	7·09	96	138
	22	6·77	91	138
	29	6·74	91	140
October	6	6·44	87	138
	13	6·27	85	135
	20	6·36	86	134
	27	6·38	86	134
November	3	6·22	84	134
	10	7·01	94	135
	17	7·10	96	140
	24	7·51	101	143
December	1	7·95	107	144
	8	8·19	110	146
	15	8·59	116	154
	22	8·78	118	155
	29	8·70	117	155
1940				
January	5	9·29	125	156
	12	8·98	121	143
	19	8·75	118	143
	26	8·30	112	145
February	2	8·29	112	145
	9	8·30	112	146
	16	8·12	109	148
	23	8·04	108	150
March	1	7·99	108	151
	8	8·03	108	154
	15	7·68	104	155
	21	7·55	102	156
	29	7·70	104	156

No. 56.—Declared value per unit of Principal Imported articles

Articles	Per	Pre-war average*			1937-38			1938-39			1939-40		
		R	a	p.	R	a.	p.	R	a.	p.	R	a.	p.
1. Sugar, 16 D. S. and above	Cwt.	9	14	4	6	7	7	6	4	3	6	7	4
Molasses	,,	2	3	7	7	15	1	7	13	0	8	15	10
2. Other articles of food and drink—													
(a) Liquors—													
Ale, beer and porter	Gal.	1	5	7	2	0	8	2	0	5	2	2	8
Spirit—Brandy	,,	7	15	9	15	13	7	15	2	4	17	3	6
,, Whisky	,,	6	8	2	17	2	2	17	5	3	17	9	7
,, present in drugs	,,	17	9	3	28	0	6	26	13	1	29	3	0
(b) Provisions—													
Biscuits and cakes	lb	0	7	3	0	13	1	0	12	1	0	13	0
Farinaceous and patent foods	Cwt.	14	11	2	19	12	1	17	14	10	23	2	9
Milk condensed	lb	0	4	6	0	4	8	0	4	7	0	4	10
Canned provisions	Cwt	46	10	3	38	13	2	39	4	6	42	8	10
(c) Spices—													
Betelnuts	lb	0	1	4	0	1	5	0	1	6	0	1	5
Cloves	,,	0	5	2	0	6	5	0	7	6	0	7	4
(d) Other articles—													
Salt	Ton	14	8	5	16	0	11	12	1	9	19	11	8
3. Oils—													
Kerosene	Gal.	0	6	6	0	6	0	0	5	8	0	6	3
4. Textile, Cotton—													
Cotton yarn	lb	0	14	5	1	2	3	0	12	10	0	13	8
,, goods, grey	Yd.	0	2	8	0	2	3	0	1	11	0	1	11
,, ,, white	,,	0	2	9	0	3	4	0	2	11	0	3	5
,, ,, coloured	,,	0	3	3	0	3	6	0	3	0	0	3	1
,, handkerchiefs and shawls	No	0	3	6	0	1	8	0	1	4	0	1	11
5. Other textiles—													
(a) Silk, raw	lb.	4	9	1	3	11	9	2	12	3	3	1	8
,, goods, mixed	Yd.	0	12	9	0	8	7	0	8	5	0	7	9
,, piecegoods	,,	0	11	2	0	6	4	0	6	5	0	9	6
(b) Wool—													
,, piecegoods	Yd.	0	14	9	1	10	9	1	12	10	1	8	0
,, shawls	No.	2	7	9	3	11	5	2	14	3	2	8	2
6. Apparel—													
Boots and shoes	Pair	2	7	2	1	14	3	1	13	7	1	13	7
7. Metals and manufactures—													
Copper, wrought	Cwt	51	12	1	44	12	9	39	1	3	46	7	2
Iron, bars and channel	Ton	118	4	2	248	11	6	317	12	2	294	11	7

* See Note (2) on page 203.

No. 56.—Declared value per unit of Principal Imported articles—*continued*

Articles	Per	Pre-war average *			1937-38			1938-39			1939-40		
		R	a.	p.	R	a.	p.	R	a.	p.	R	a.	p.
7. Metals and manufactures—*contd.*													
Iron or Steel—													
Beams, etc.	Ton	115	5	6	154	2	5	163	8	9	160	14	11
Nails, etc.	,,	205	1	6	298	4	6	307	8	7	426	4	5
Pipes, etc.	,,	150	10	9	492	10	0	351	13	1	342	11	5
Rails, chairs, etc.	Cwt.	3	11	6	7	6	10	6	6	9	5	12	1
Sheets, galvanised	Ton	192	0	1	227	10	5	229	10	10	243	6	3
,, tinned	,,	236	15	1	388	8	1	348	12	0	382	6	6
,, not galvanised	,,	139	6	0	194	9	0	198	9	11	202	9	6
Tubes	,,	231	8	4	258	12	6	302	12	0	310	10	1
Steel, bars	,,	99	7	7	188	13	4	256	1	8	198	11	2
Tin, block, etc.	Cwt.	138	4	5	146	6	1	129	8	8	161	11	4
8. Animals and other raw and manufactured articles—													
(*a*) Animals, horses	No.	455	6	3	838	15	0	878	0	4	674	0	7
(*b*) Fruits, coconuts	,,	0	0	10	0	0	6	0	0	5	0	0	4
(*c*) Dyes obtained from Coal tar—													
Alizarine	lb.	0	7	9	0	9	9	0	10	5	0	11	9
Others	,,	0	12	4	1	12	3	2	4	7	2	5	4
(*d*) Chemicals—													
Sodium carbonate	Cwt	4	1	6	4	0	1	4	10	7	4	13	2
(*e*) Drugs, medicines—													
Quinine salts	lb.	9	11	11	24	15	3	25	13	8	30	0	9
(*f*) Tobacco manufactures—													
Cigarettes	,,	3	0	9	3	7	5	3	4	11	3	5	8
(*g*) Gums and resins	Cwt.	15	13	9	14	7	4	11	15	1	16	3	2
(*h*) Flax—													
Canvas	Yd.	0	8	9	1	1	7	1	0	1	1	1	5
Piecegoods	,,	0	5	8	0	9	8	0	13	11	0	13	7
(*i*) Coal	Ton	17	5	11	19	6	0	17	2	4	12	6	4
(*j*) Other raw materials—													
Tallow and stearine	Cwt.	28	5	1	17	3	5	14	3	4	15	8	10
(*k*) Other manufactured articles—													
(*i*) Arms, etc.—													
Gunpowder	lb.	0	11	7	0	11	11	0	10	4	0	10	7
(*ii*) Glass and glassware—													
Beads	Cwt.	85	9	1	84	5	7	68	14	7	68	2	5
Sheet and plate	Sq. ft	—			0	1	11	0	1	5	0	1	6
(*iii*) Paints and colours	Cwt.	16	1	2	26	13	6	26	4	4	27	5	9
(*iv*) Printing paper	,,	12	8	3	11	6	6	10	0	11	11	5	3
(*v*) Soap	,,	19	11	7	58	14	1	65	6	4	71	3	2
(*vi*) Umbrellas	No.	1	1	1	0	6	8	0	8	4	0	9	11
(*vii*) Building materials—													
Firebricks	,,	0	1	6	0	4	0	0	6	2	0	5	7
Cement	Cwt.	2	0	5	2	0	5	2	5	11	3	3	9
Pitch and tar	,,	4	1	4	3	12	1	3	10	4	4	11	8

* See Note (2) on page 203.

No. 57.—Declared value per unit of Principal Exported articles

Articles	Per	Pre-war average*			1937-38			1938-39			1939-40		
		R	a.	p.	R	a.	p.	R	a.	p.	R	a.	p.
1. Food grains—cereals—													
Rice (not in the husk)	Cwt.	5	5	8	5	11	11	5	9	11	7	14	1
Wheat	,,	5	5	5	5	0	5	4	7	2	6	9	2
Wheat flour	,,	7	14	8	7	3	0	6	6	4	6	12	6
Barley	,,	4	4	2	4	0	11	4	2	2	7	9	1
2. Food grains—													
Pulse	Cwt.	4	1	4	5	11	3	5	10	10	6	8	11
3 Tea	lb.	0	7	1	0	11	8	0	10	8	0	11	0
Coffee	Cwt.	54	0	4	40	6	3	40	10	3	43	8	8
4. Other articles of food and drink—													
(a) Spices—													
Pepper	lb.	0	4	8	0	3	2	0	2	10	0	3	0
Chillies	,,	0	2	4	0	2	10	0	2	4	0	2	4
(b) Other articles—													
Ghi	,,	0	9	0	0	9	1	0	8	11	0	8	6
5. Seeds, oils and oilcakes—													
Seeds—													
Castor	Cwt	7	5	2	7	9	10	6	9	7	8	12	10
Copra	,,	17	15	7	17	0	0	19	2	7	17	13	6
Cotton	,,	3	12	0	3	1	1	3	14	1	9	9	7
Groundnut	,,	8	5	1	7	3	5	5	15	1	6	8	10
Linseed	,,	10	8	8	7	14	0	6	14	8	7	3	11
Rapeseed	,,	7	9	8	7	4	4	6	11	10	7	8	10
Sesamum	,,	10	6	5	9	7	7	9	10	10	10	11	1
Oils—													
Castor	Gal.	1	5	10	1	8	11	1	8	9	1	14	2
Coconut	,,	1	12	8	1	10	5	1	9	2	1	12	7
Oilcakes	Cwt	3	12	8	3	6	4	3	6	0	3	8	3
6. Textiles, Jute—													
Jute, raw	Ton	290	7	4	196	15	7	194	0	6	347	5	3
Gunny bags	No	0	4	5	0	3	5	0	3	4	0	3	4
,, cloth	Yd.	0	1	9	0	1	6	0	1	5	0	2	4
7. Textiles, Cotton—													
Cotton, raw	Cwt.	38	11	3	29	12	2	24	11	0	28	9	7
,, yarn	lb.	0	7	11	0	8	1	0	7	11	0	7	9
,, piecegoods, grey	Yd.	0	2	5	0	3	5	0	3	1	0	3	2
,, ,, coloured	,,	0	5	0	0	5	0	0	5	4	0	5	3

* See Note (2) on page 203.

No. 57.—Declared value per unit of Principal Exported articles—*continued*

Articles	Per	Pre-war average *	1937-38	1938-39	1939-40
		R a p	R a p.	R a p.	R a p.
8. Other textiles—					
Wool, raw	lb.	0 7 10	0 11 2	0 8 7	0 9 9
9. Hides and skins—					
Hides, raw	Cwt.	66 4 1	36 5 3	5[illegible] 3 1	83 5 11
„ tanned	„	85 10 10	94 9 0	77 1 11	83 10 0
Skins, raw	„	68 0 6	85 4 9	69 15 6	82 6 4
„ tanned	„	196 12 3	241 6 4	227 11 10	218 6 10
10. Metals and Ores—					
Manganese ore	Ton	16 4 0	22 1 8	23 8 4	25 6 10
11. Other raw and manufactured articles—					
(a) Dyeing substances—					
Indigo	Cwt.	194 6 0	170 4 2	120 5	110 9 5
Myrobalans	„	1 4 5	3 1 7	3 1 5	3 8 [illegible]
(b) Chemicals—					
Saltpetre	„	11 7 0	6 13 7	5 1 0	9 5 10
(c) Drugs, medicines, etc.—					
Tobacco—					
Unmanufactured	lb.	0 1 10	0 4 5	0 5 4	0 5 0
Cigars	„	0 13 7	1 9 9	1 15 7	1 7 9
Opium	Cwt.	1 945 10 10	..	..	..
(d) Hemp, raw	„	1 12 0	8 15 8	8 13 1	11 9 6
(e) Lac, shell	„	[illegible] 1 0	27 1 1	2 4 3	28 5 [illegible]
(f) Coal	Ton	0 12 7	9 6 6	9 15 11	9 8 2
(g) Manures—Bones	„	60 0 0	75 8 1	65 15 0	58 14 4
(h) Other raw materials—					
Rubber, raw	Cwt.	36 15 5	52 14 2	46 8 11	48 11 11
Coir, unmanufactured	„	10 11 6	10 4 5	7 14 1	6 7 2
Mica	„	72 15 0	50 7 9	70 8 2	70 6 0
(i) Other manufactured articles—					
Candles	lb	0 4 6	0 8 7	0 12 8	0 9 9
Paraffin wax	Cwt	22 7 1	21 9 7	21 3 3	21 13 0
12. Building materials—					
Teakwood	C. Ton	155 12 1	204 10 7	332 14 3	179 11 7

* See Note (2) on page 203.

APPENDIX.

Copy of Notification No. 65-C.W. (9)/40, dated the 15th May 1940 as amended by subsequent notifications up to the 14th September 1940, from the Department of Commerce, Government of India, Simla.

No. 65-C. W. (9)/40.—In exercise of the powers conferred by sub-rule (3) of rule 84 of the Defence of India Rules, and in supersession of the notification of the Government of India in the Department of Commerce, No. 65-C.W. (20)/39, dated the 25th November 1939, the Central Government is pleased to prohibit the taking by sea or by land out of British India to any place outside India or Burma of any goods of the description specified in the Schedule hereto Annexed, except the following, namely :—

(*a*) any goods consigned to or destined for the French or Portuguese possessions in India and intended for use or consumption therein ;

(*b*) any goods consigned by land to any other country contiguous to the land frontier of India and intended for use or consumption therein ;

(*c*) any goods of the description specified in Part E of the Schedule and consigned to or destined for any part of the British Empire including Mandated Territories ;

(*d*) any goods of the description specified in Part C of the Schedule and covered by an export licence issued by the Central Government in the Department of Supply ;

(*e*) any goods of the description specified in Part B, D or E of the Schedule and covered by an export licence issued by or under the orders of the Export Trade Controller appointed in this behalf by the Central Government ;

(*f*) any goods constituting the stores or equipment of an outgoing vessel or conveyance, or the *bona-fide* personal effects of the crew of, or of the passengers in, such vessel or conveyance ;

(*g*) any goods transhipped at a port in British India after having been manifested for such transhipment at the time of despatch from a port outside British India ;

(*h*) any goods exported under the orders of Naval, Military or Air Force Authorities for Naval, Military or Air Force requirements ; and

(*i*) any goods exported under the orders of the Central Government or such officers as may be appointed by the Central Government in this behalf.

SCHEDULE.

PART A.

(*No Licences.*)

1. Arms, Ammunition and Military stores (including explosives and fulminate of mercury).

2. Chemicals and chemical preparations, the following :—

(*i*) Chrome alum.

(*ii*) Potassium bichromate.

(*iii*) Sodium bichromate.

3. Instruments, Apparatus and appliances, and parts thereof, the following :—

(*i*) Optical glass, formed and unformed.

(*ii*) Surveying instruments and appliances.

(*iii*) Telescopes and binoculars.

4. Metals and Ores, the following :—

Antimony.

5. Textiles, the following :—

(*i*) Flax, raw.

(*ii*) Flax, Manufactures.

PART B.

(*Licences issued by the Export Trade Controller.*)

1. Bakelite and other synthetic moulding powders.

2. Chemicals and chemical preparations, the following :—
   (*i*) Acid Nitric.
   (*ii*) Ammonia and Ammonium compounds.
   (*iii*) Bleaching powder and chlorine.
   (*iv*) Copper sulphate.
   (*v*) Glycerine.
   (*vi*) Photographic chemicals all sorts.
   (*vii*) Potassium carbonate.
3. Chemical manures.
4. Drugs and medicines, including camphor.
5. Instruments, Apparatus and Appliances, and parts thereof, the following :—
   (*i*) Optical instruments (other than optical glass, formed and unformed, surveying instruments and appliances, telescopes and binoculars).
   (*ii*) Photographic papers, plates and films (excluding those used in X-ray photography and excluding cinema films).
   (*iii*) Surgical and veterinary instruments.
   (*iv*) Wireless transmission and receiving sets and parts thereof.
6. Provisions, canned and bottled.

PART C.

(*Licences issued by the Central Government in the Department of Supply.*)

1. Abrasives, manufactured, including grinding wheels.
2. Belting for Machinery—
   (*i*) of cotton.
   (*ii*) of hair.
3. Chemicals and chemical preparations, the following :—
   (*i*) Alcohol, Methyl.
   (*ii*) Acetone.
   (*iii*) Acid Acetic.
   (*iv*) Acid Formic.
   (*v*) Aluminium Oxide.
   (*vi*) Aniline and alkylated aniline.
   (*vii*) Calcium acetate (acetate of lime).
   (*viii*) Caustic Potash.
   (*ix*) Chlorinated hydrocarbons including carbon tetrachloride.
   (*x*) Lead acetate.
   (*xi*) Phosphorus.
   (*xii*) Potassium Chlorate.
   (*xiii*) Sodium hydrosulphite.
   (*xiv*) Sodium Nitrite.
   (*xv*) Tetra-ethyl-lead.
   (*xvi*) Toluol (toluene).
4. Drugs and medicines, the following :—
   Sera.
5. Graphite and graphite crucibles.
6. Hydraulic packing.
7. Instruments, Apparatus and Appliances, and parts thereof, the following :—
   (*i*) Electric wires and cables.
   (*ii*) Electrical insulating materials, all sorts.
   (*iii*) Photographic plates and films used in X-ray photography.

8. Machinery and Millwork, including machine tools of all descriptions and parts thereof but excluding parts which—

(a) if of foreign manufacture, are exported for purposes of repairs, or

(b) if of Indian manufacture, are supplied to any country in the British Empire.

9. Metals and Ores, the following :—

(i) Aluminium and aluminium alloys and manufactures thereof.

(ii) Antimony alloys containing more than 10 per cent. of antimony.

(iii) Copper ores ; copper wrought and unwrought ; copper plates and sheets ; copper wire, drawn ; copper scrap ; copper manufactures and alloys.

(iv) Ferro-chrome ; ferro-manganese ; ferro-phosphorus ; ferro silicon ; ferro-titanium ; ferro-tungsten ; and ferro-vanadium.

(v) Gun metal ; gun metal manufactures ; gun metal scrap and borings.

(vi) Iridium, osmiridium, iridosmine and concentrates containing iridium.

(vii) Iron or steel :—

(a) High Speed Tool Steel.

(b) Plates, boiler, of acid quality steel.

(c) Sheets and plates, galvanised (corrugated and plain).

(d) Sheets and plates tinned.

(e) Tubes, pipes and fittings, cast or wrought.

(f) Wire Nails.

(g) Wire, plain barbed and stranded.

(h) Wire rope (Black and galvanised).

(i) Wood screws.

(viii) Lead sheets ; lead pipes and tubes ; lead scrap ; pig lead and lead ore.

(ix) Magnesium and magnesium alloys.

(x) Mercury (quicksilver) and its compounds.

(xi) Molybdenum ; ferro molybdenum ; molybdenum ores and compounds.

(xii) Nickel ; nickel ore and matte, nickel alloys in their various forms (including nickel oxide).

(xiii) Phospor alloys.

(xiv) Platinium, crude and refined ; platinium alloys and compounds.

(xv) Radium ; radium ores and concentrates , radium compounds.

(xvi) Tin, wrought and unwrought.

(xvii) White metal, white metal manufactures, white metal scrap, white metal borings and white metal ash and dross.

(xviii) Zinc or spelter, unwrought and wrought, zinc concentrates and zinc scrap.

10. Synthetic dyestuffs, including coal tar derivatives used in any dyeing process.

11. Textiles, the following :—
Cotton mosquito netting.

12. Vehicles (excluding old scrap parts), the following :—

(i) Aircraft and parts of aircrafts.

(ii) Motor cars, motor cycles and motor omnibuses, vans and lorries and parts thereof (excluding rubber tyres and tubes).

13. Coniferous timber, namely, Pinus longifolia (Chir), Pinus excelsa (Kail), Picea morinda (Spruce), Abies pindrow (Fir), and Cedrus deodara (Deodar) ; also chests, boxes, crates, and other containers made therefrom, when exported empty, and parts thereof including shooks.

14. Carbonised coconut shell.

Part D.

(Licences issued by the Export Trade Controller.)

1. Manila rope.

2. Metals and ores, the following :—

(i) Beryl (Beryllium).

(ii) Tungsten and Tungsten ore (Wolfram).

3. Mica.

3-A. Paper and pasteboard all sorts.

3-B. Pulp of wood for paper-making.

4. Quartz Crystals.

5. Wool, raw.

6. Diamonds.

PART E.

(Licences issued by the Export Trade Controller.)

1. Candles of all kinds.

1-A. Coffee.

2. Coir, unmanufactured and manufactured.

3. Hides and skins, raw, all sorts.

4. Hides and skins, tanned or dressed, all sorts.

5. Lac, all sorts.

6. Metals and ores, the following :—

(*i*) Aluminium ore (Bauxite and Laterite).

(*ii*) Chrome Ore.

(*iii*) Ilmenite, Monazite, Rutile, Zircon, Kyanite and Sillimanite.

(*iv*) Iron Ore.

(*iv-a*) Iron Pyrites.

(*v*) Iron or steel :—

(*a*) All rolled sections.
(*b*) Castings.
(*c*) Hoops and strips.
(*d*) Rivets, bolts, nuts and washers.
(*e*) Sheets and plates not specified in Part C.
(*f*) Scrap for re manufacture.
(*g*) Steel ingots, blooms, billets and slabs.

(*vi*) Manganese ore and Manganese.

(*vii*) Pig Iron.

(*viii*) Vanadium and Vanadium Ores.

7. Myrobalans and other tanning substances.

8. Oilcakes, all sorts.

9. Oils, mineral, all sorts (including crude oil, kerosene, fuel oils, lubricating oils, greases petrol, benzine and benzol).

10. Oils, vegetable, non-essential, all sorts.

11. Rice and rice produces.

12. Rubber, raw.

13. Rubber manufactures, the following :—

Tyres and tubes.

14. Seeds, oilseeds, non-essential, all sorts.

14-A. Spices.

15. Tallow and stearine, all sorts.

15-A. Tea.

16. Textiles, the following :—

(*i*) Cotton manufactures, all sorts not specified in Part C.
(*ii*) Cotton, raw and waste.
(*iii*) Hemp manufactures other than manila rope.
(*iv*) Hemp, raw.
(*v*) Jute manufactures.
(*vi*) Jute, raw.
(*vii*) Mesta-fibre.
(*viii*) Silk, raw cocoons, waste products (including Duppion) and handreeled.
(*ix*) Wool Manufactures.

17. Wax of all kinds, including paraffin wax.

18. Animal bladders, Guts and Casings.

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[Sixty-seventh issue]

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GOVERNMENT OF INDIA

REVIEW

OF THE

TRADE OF INDIA

IN

1940-41

Published by order of the Governor-General in Council

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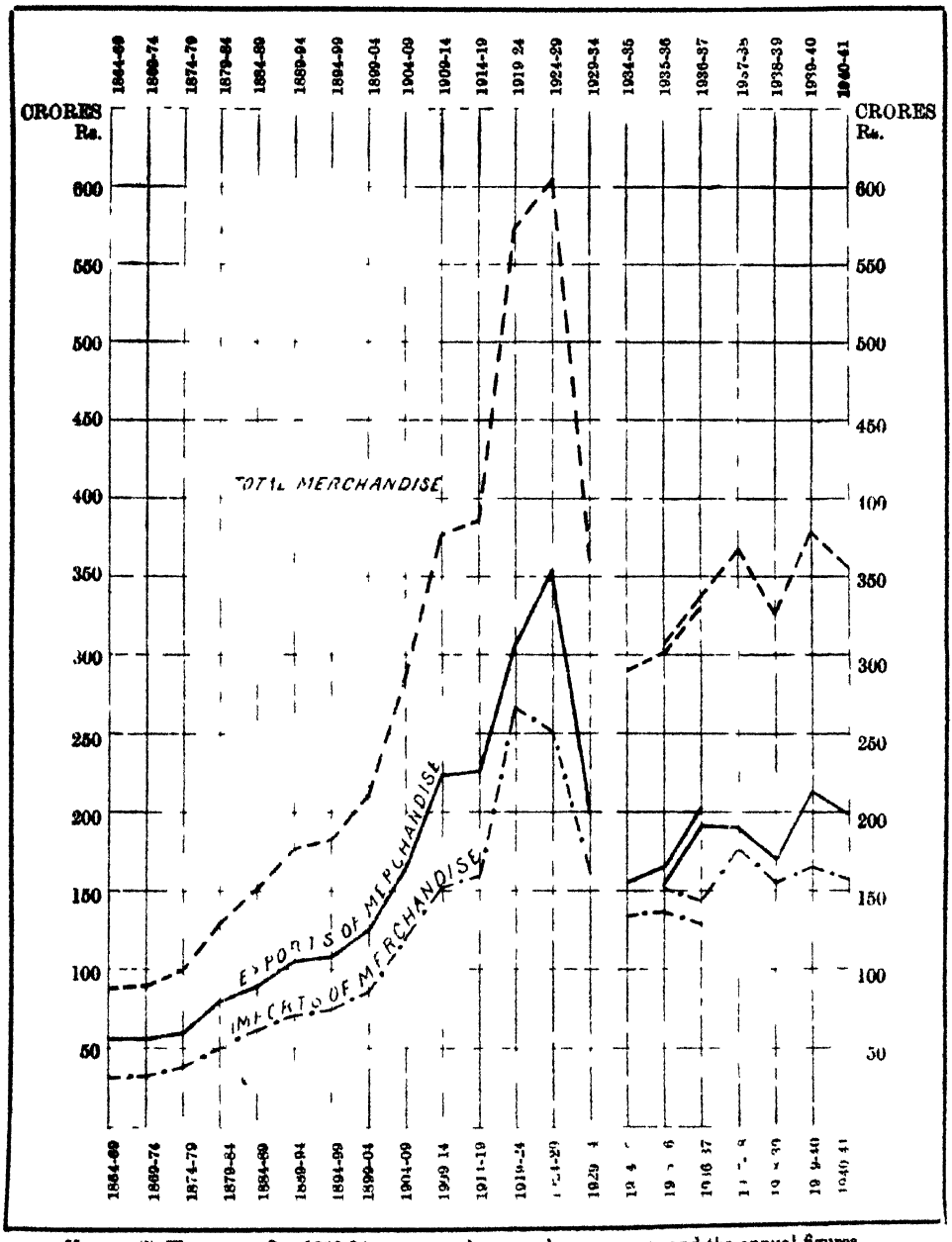
CHART A

Foreign Sea-borne Trade of British India.

Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual trade for the last seven years.

(Private and Government.)



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures

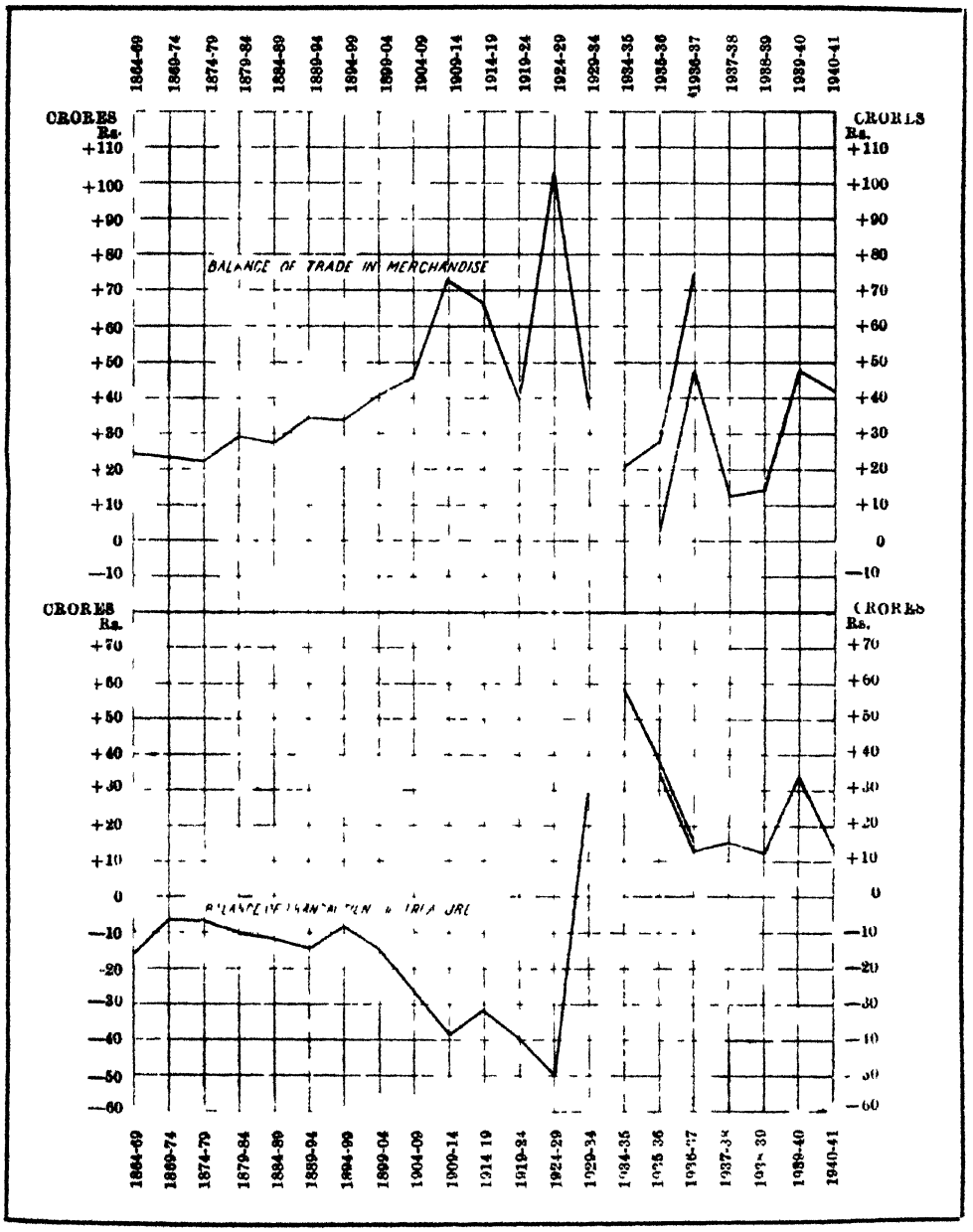
(ii) The *three* points starting from *1934-35* represent unadjusted figures which include Burma

(iii) The points starting from *1935-36* represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

CHART B

Balance of Trade in Merchandise and Transactions in Treasure Quinquennial averages during the seventy years (1864-69 to 1929-34) and the annual balance for the last seven years.

(Private and Government.)



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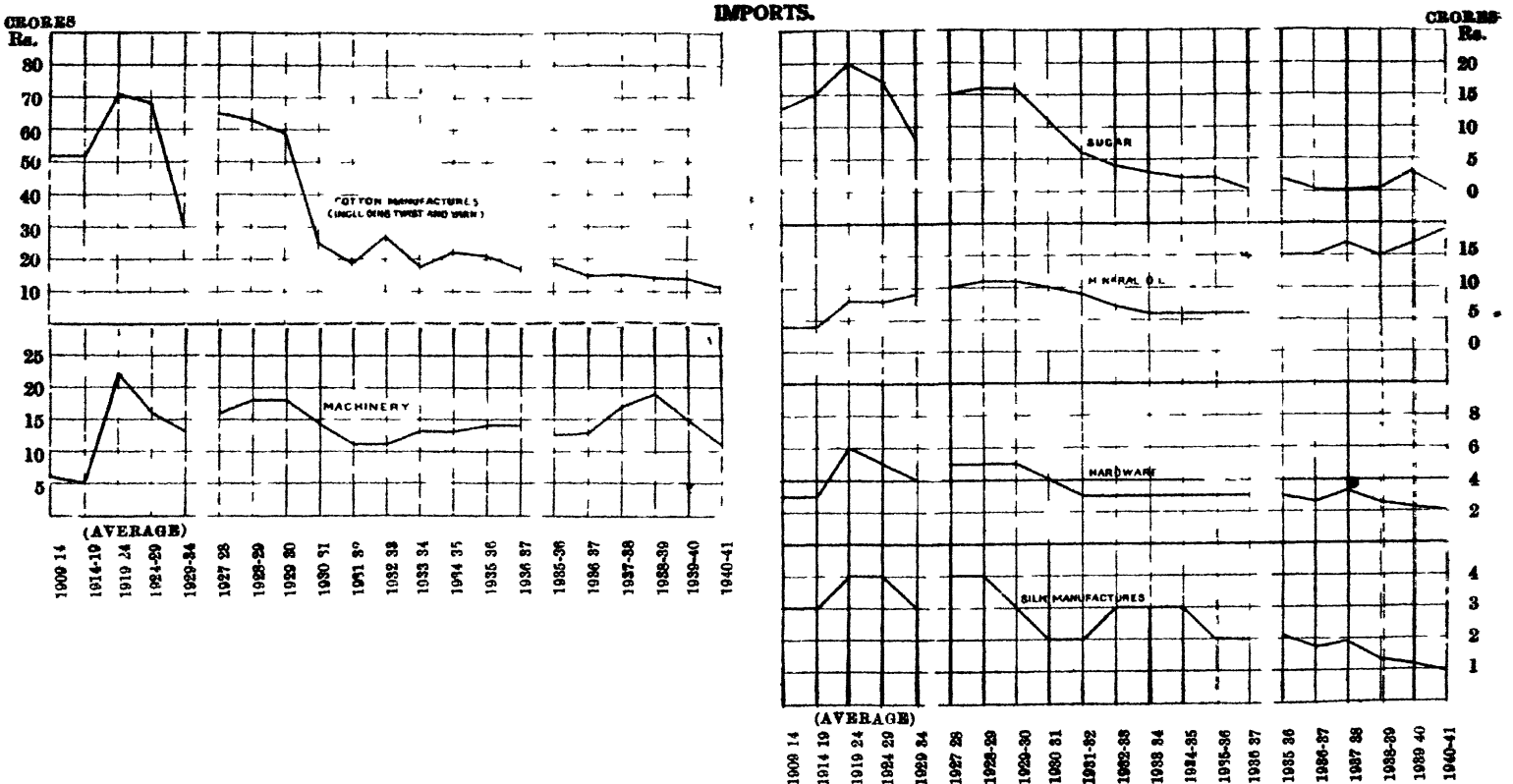
(ii) The three points starting from 1934-35 represent unadjusted figures which include Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter

CHART C

Variations in the values of principal articles in the import trade of British India during the five quinquennia ending 1929-34 and the last fourteen years.

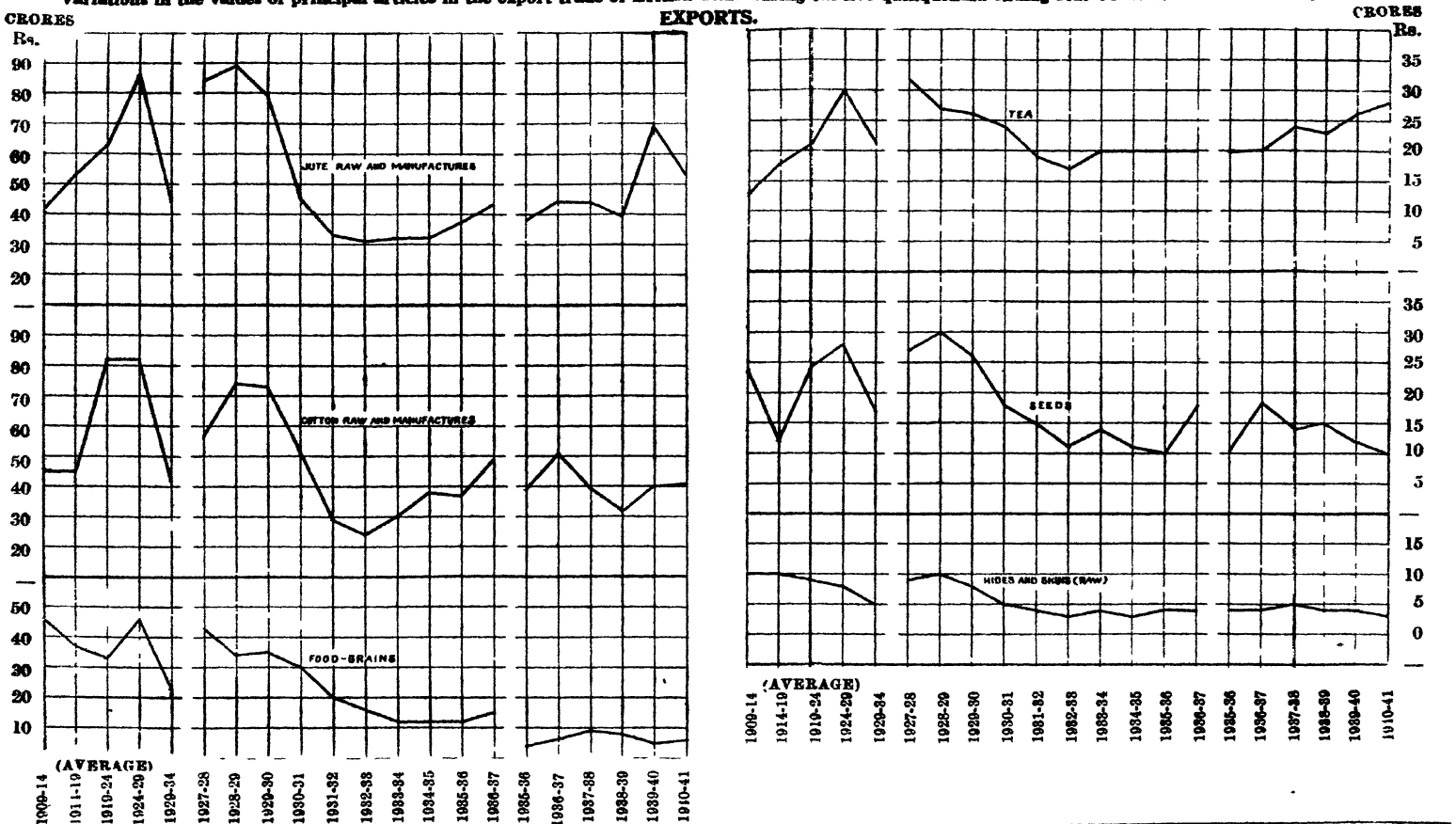


NOTE —(i) The space after 1929-34 separates the several quinquennia and the annual figures
(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.
(iii) The points starting from 1935 36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter

CHART D

Variations in the values of principal articles in the export trade of British India during the five quinquennia ending 1929-34 and the last fourteen years.

EXPORTS.

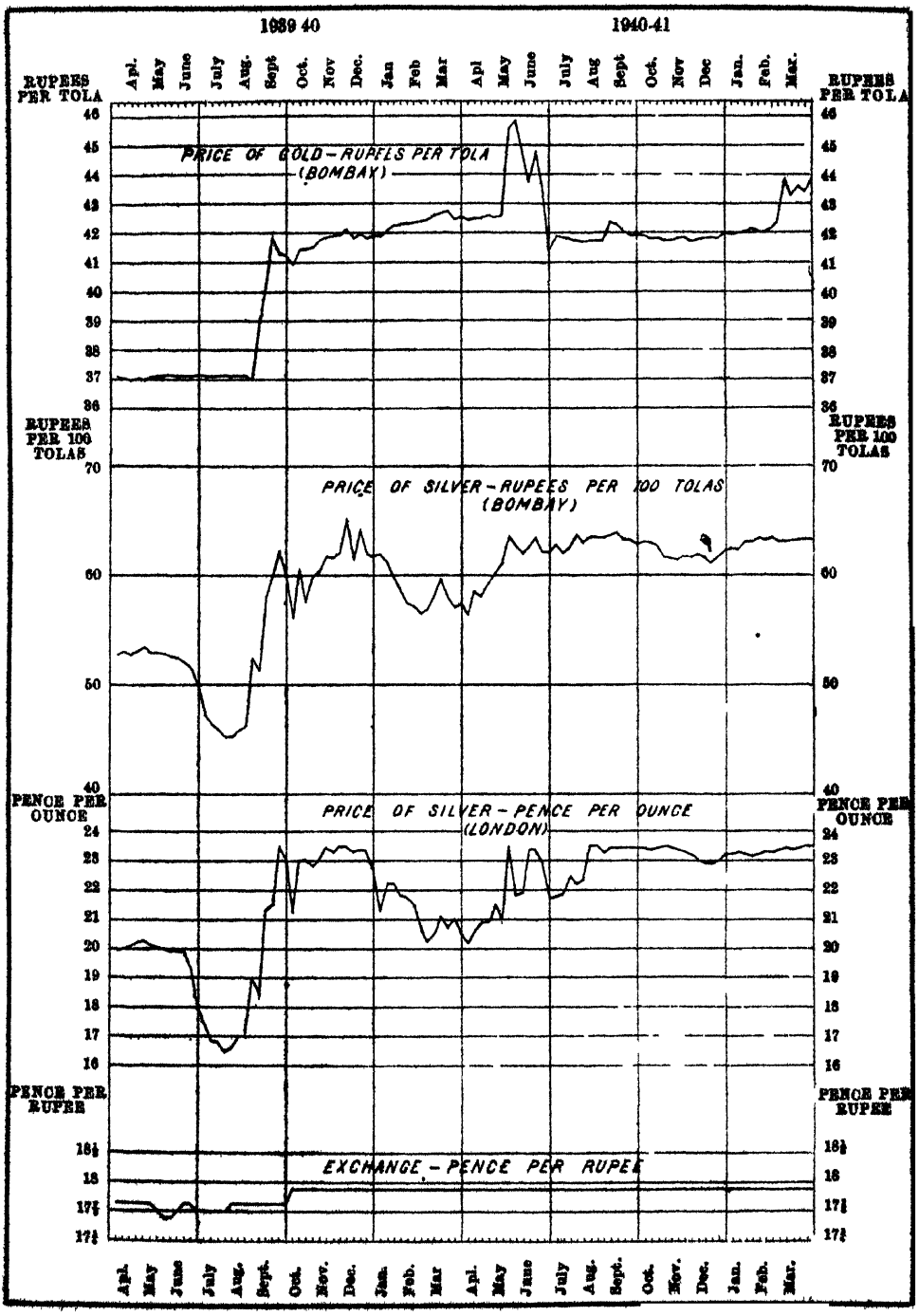


NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.
(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.
(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

Owing to security reasons, it has been necessary in the present edition to delete some information and tables generally contained in this publication. For the same reasons, it was considered desirable to delay publication.

CHART E

Price per tola of English bar gold in Bombay, price of silver in London per standard ounce, price of silver in Bombay rupees per 100 tolas and the telegraphic transfer rate in Calcutta on London at the end of each week during the years 1939-40 and 1940-41.



NOTE

The facts and figures contained in this Review have been revised up to the end of June 1941 only.

to remove, at once, or even after the lapse of a considerable period of time, the controls which were imposed even in the earlier phase of the war. But the later controls are affecting, not only the framework within which business enterprise must operate, but the substance of business enterprise itself.

Nevertheless, to concentrate exclusively upon these aspects of scarcity and control would be to give a somewhat misleading picture of the world as a whole. So far as the element of control is concerned, it must be pointed out that, taking the world as a whole, it is the *change of scale and of objective* rather than the fact of control, which is the characteristic feature of the war situation. Though an attempt was made at the end of the last war and for sometime thereafter to restore the *status quo ante* in the economic field, yet the Inter-war period as a whole was marked by an increasing degree of Government-at interference with economic life, and the trend became particularly intensified during and after the great depression at the beginning of the thirties. The advent of the totalitarian regime in Germany imparted a new intensity, as well as a new direction, to schemes of economic control—one which all the belligerent countries have had perforce to follow. But there is still a considerable difference of degree in the intensity of control in different parts of the world, though there is nowhere a reluctance to adopt further measures should occasion demand. Whilst it is far too early, of course, to anticipate the nature of the world economic situation which will develop at the cessation of hostilities, it is safe to conclude that a change of direction in control measures, rather than a reversion to complete freedom of enterprise will be characteristic of that epoch, if for no other reason than for the one already stated, *i.e.*, that not only the form. but the substance of enterprise has been affected by the degree of control already assumed.

But scarcity and controls arising out of scarcity are not the only characteristics of the world economic situation. On the contrary, control is required or, at any rate, demanded in certain parts of the world not because of want, but because of superfluity. The changes in the structure of the world economy in the two decades of the inter-war period – the shifting origin of industrialisation, the growth of "substitute" industries and the effort towards self-sufficiency in the production of foodstuffs—whilst they complicated the position of the raw material producing countries, did not fundamentally alter the character of world trade, which still, so far as the tropical and subtropical world is concerned, consists in an interchange of foodstuffs and raw materials against the import of manufactured articles.* The occupation of

*The percentage share of Europe in the aggregate world production of primary commodities is shown below† :—

	Average 1925-29		1938	
	(1)	(2)‡	(1)	(2)‡
Agricultural products	33	45	35	47
Non-agricultural products	33	36	33	43
Foodstuffs	36	48	38	50
Raw materials	27	31	27	38

† League of Nations, *World Production and Prices* 1938-39, Appendix I, Table 4.

‡ (Including Soviet Russia).

Europe by the enemy has necessarily meant a drastic decline in the volume of overseas trade conducted by Europe as a whole and though there is some possibility of finding alternative markets, the possibilities are necessarily limited by the growing intensity of the war at sea and consequential reduction in the volume of shipping available, as well as by the diversion of shipping to military purposes. The economic consequences of this situation have necessarily been a pressure on the price level and, therefore, upon the volume of the national income in those countries dependent largely upon exports. The South American countries, the African tropical areas, and to a lesser extent other areas have been affected by the circumstances, and both the British and American Governments are actively canvassing the further possibilities of remedial measures. The various bulk purchase schemes which have already been inaugurated point the direction which such action can most easily take, though there is an obvious financial limit which must not be lost sight of.

Furthermore, in surveying the world situation as a whole, the pressure of scarcity is in part being offset by the development of new productive resources elsewhere than in the already established centres of production. During the war period itself, such new productive resources are themselves in part (though by no means wholly) devoted to the direct purposes of the war : but their existence relieves the strain upon the older centres of production, and they will be available in the post-war period—within the limits of technical transferability—for production more directly conducive to human welfare. Moreover, in considering the extension of these productive resources it is necessary to take into account, not only the erection of fixed plant and machinery, but the development of human skills and aptitudes. In sum, whilst the human and material costs of modern war are immense, there is some compensation in the extension of productive capacity in areas outside the direct belligerent zones. Even allowing for the circumstances that the necessities of war demand types of specialised equipment which cannot be used for purposes of peace time production, that air-warfare directly results in the destruction of productive capacity and that there is abnormal strain on plant and machinery, it is probable that at the end of the war, the productive capacity of the world *as a whole* will be greater than it was in 1939. But the process of re-integrating the dislocated and distorted world apparatus will not be an easy one and will tax the world's capacity for economic statesmanship to the highest degree.

The supply of statistical and economic information has been seriously interfered with as a necessary consequence of the secrecy associated with war. It is, therefore, not possible to furnish the same series of charts with which changes in the world economic situation have been illustrated in recent issues of the Review. It must also be borne in mind that, in the absence of free markets, the significance of, *e.g.*, price statistics is seriously diminished. Thus, to take one instance, it is known that the British Government is spending in the neighbourhood of £100 millions annually in subsidies intended to curb rises in the cost of living. The very strict rationing procedures of the German Government, coupled with the possibility of changing qualities, rob German price statistics of their full interpretative value. Over a considerable part of the world, in other words, prices, instead of being themselves the

dominating, regulating influence in economic life, directing the productive forces on the one hand, and controlling consumption on the other, merely register the decisions of the administrative authorities. Nevertheless, certain available statistics, even if not fully adequate, serve to throw light upon the forces which are moulding economic events.

The most obvious guide to the dynamic forces at work at the present time are the figures of public expenditure, especially expenditure upon purposes directly connected with the war. The raising of these vast sums, whether through the medium of taxation or of loan, would be impossible were it not for the circumstance that the expenditure of the sums in question directly and indirectly help to swell the national incomes of the countries affected and of the countries which help to supply them with the goods they require. Such national expenditure is, of course, not purely additive since there is no reason to suppose that in the absence of governmental expenditure, there would have been *no* expenditure at all. Nevertheless, the greatly increased expenditure of the war period must be regarded as a sinister continuation of that "armaments-boom" which began in Germany many years ago, and which spread to other countries as these in turn took up the challenge to their security.

Statistics of Defence expenditure.

United Kingdom—(Fiscal year, April-March). In Million £.

		Defence*	Total expenditure
1938-39		400	1,068
1939-40	(April budget)	620	1,315
	September budget	1,249	1,933
	Actual	1,141	1,817
1940-41	April budget	2,000	2,667
	July ,,	2,800 (Vote of credit)	3,467
	Actual	..	3,884
1941-42	April budget	..	4,207

* Army, navy, air and civil defence with margin for supplementaries.

United States—(Fiscal year, July-June). In million dollars.

		National defence	Total expenditure†
	1938-39	1,163	8,707
	1939-40	1,559	8,998
July-Feb. 8 months	1939-40	950	5,860
	1940-41**	2,897	7,327

** According to the Defence Programme outlined in the Budget message of January 1941, the defence expenditure (on Army, Navy, expansion of industrial plant and other items) is to amount to $28,480 millions during the period July 1940 to June 1942. In the fiscal year, 1940-41, total appropriations and authorizations were expected to amount to $20,400 millions of which defence items represented $12,585 millions.

† Excluding debt retirements and deducting transfer to the Federal old age and survivors insurance trust fund.

Australia—(Fiscal year, July-June). Millions of A£.

	Defence expenditure	
1938-39	17	
1939-40	55	
1940-41	79	In Australia
(May estimate)	+35	Overseas
1940-41	143	in Australia
(November estimate)	+43	Overseas

General.

New Zealand—(Fiscal year, April-March). Millions of NZ£.

	Defence and war expenses account
1938-39	2·1
1939-40	8·2
1940-41 (June 1940 estimate)	37·5

South Africa—(Fiscal year, April-March).

Since 1938, actual defence expenditure had amounted to only about £500,000, when the re-armament programme was supposed to have begun.

As contrasted with this small amount, a war expenditure of £14 millions was envisaged for 1940-41 in the budget of February 1940.

In the Supplementary Budget of 28th August, 1940, this estimate of war expenditure for 1940-41 was further revised to £46 millions.

Canada—(Fiscal year, April-March). In Million dollars.

	National defence	Other expenditure
1938-39	34·4	489·9
1939-40	131·5	498·9
1940-41 (Budget estimates)	*	447·9

* No accurate estimate is available. The minimum estimate, as given in the Budget speech on June 24, 1940 was $700 millions. On Aug. 2, 1940 it was stated that commitments totalled $940 millions.

India—(Fiscal year, April-March). In lakhs of rupees.

	Net defence expenditure	Total net expenditure
1938-39	46,18	79,13
1939-40	49,54	88,83
1940-41—		
Budget	53,52	86,31
Revised	72,02	1,05,65
1941-42 Budget	84,13	1,19,63

Official figures relating to total German expenditure are not easy to come by. The Under Secretary of State in the Reich Ministry of Finance gave an estimate of Rm. 25-26 milliards for tax revenue in 1940 (*Economist*, 26th October 1940). The *Economist* comments that " Expenditure during the Blitzkrieg, it can be calculated, has been a little over Rm. 5 milliards a month (exclusive of miscellaneous revenues) or at the rate of Rm. 60 milliards a year, which is equivalent to about £4,000 millions. The rate of war expenditure proper must have been something like Rm. 54 milliards. The fact that so great an expenditure as this can be met without inflation is explained by the resources tapped outside the Reich, in the occupied and dominated countries, by forced loans, tribute and loot ". (*Loc. cit.*, page 521.)

The significance of these figures does not lie in their absolute magnitude, but in their relation to pre-war quantities. They are a convenient method of summing up the multifarious activities involved in the conduct of Modern War, and since indices of production are no longer as generally available as in pre-war days, they throw some light (allowance, of course, being made for changes in the price level) upon the extent to which the economy of the countries concerned is being turned over to war needs.

CHART I.

Index Numbers of Wholesale Prices—all Commodities.

[Base: 1926=100.]

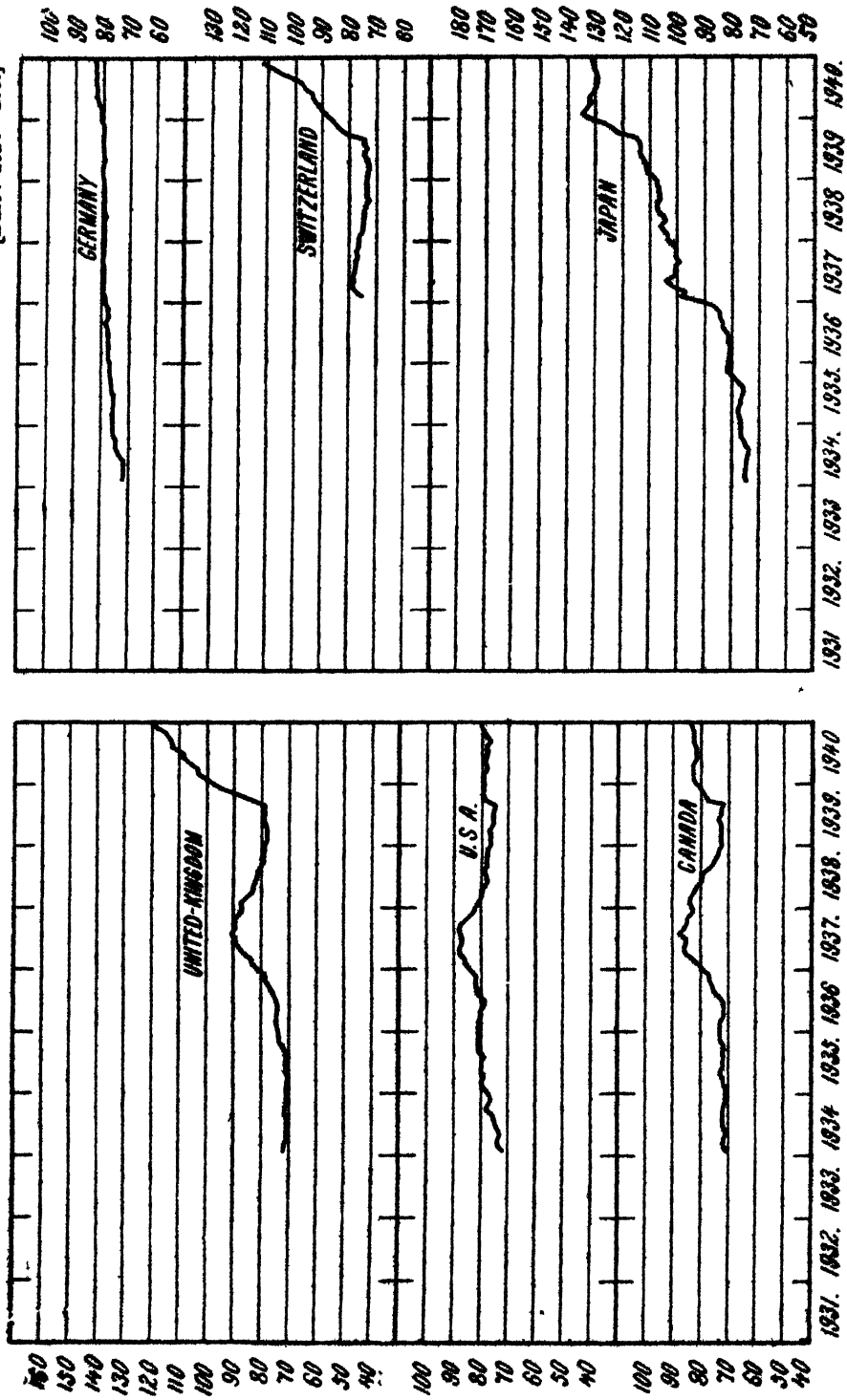
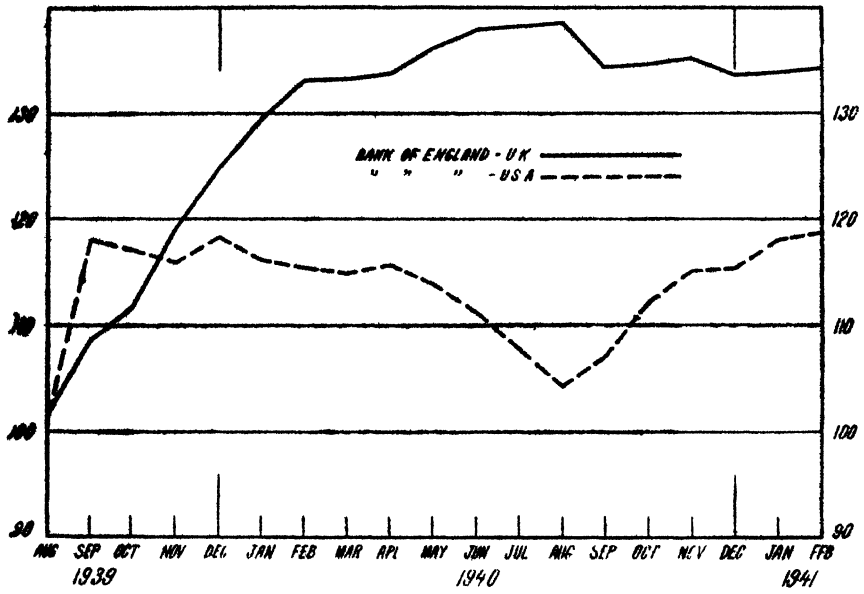


CHART II.

Average Monthly Index Numbers of Primary Commodity Prices.

[Base: 19th August 1939=100.]



General.

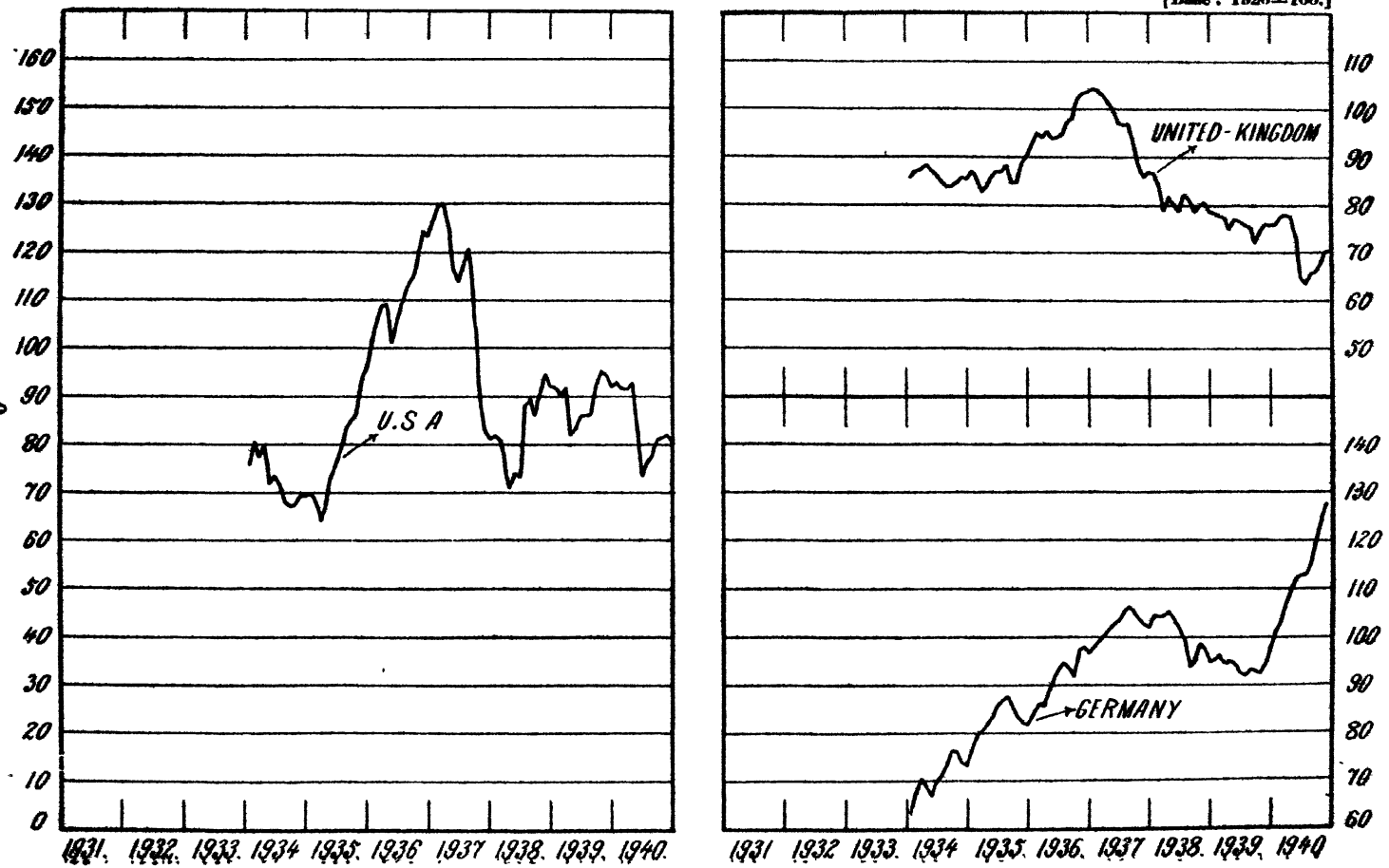
The course of wholesale prices.—(Charts I and II.) The development of the Indian price level in the period under review is discussed below (pages 69-73). Here it will be sufficient to deal with the position in some of the leading countries of the world. In Chart I the close economic relations between Canada and the U. S. A. are emphasized by the close synchronisation in the movements of their price levels, although it will be observed that the rise in prices has been sharper in Canada than in the U. S. A. Since the outbreak of the war, the general course of development in industrialised countries more affected by the war, shipping shortages and blockade is clearly seen in the cases of Great Britain, Japan and Switzerland. Different as the situation of these countries is in some respects, the uniformity in the movements of their price levels since the outbreak of the war is very marked. The position of the wholesale price level in Germany is in striking contrast and may be ascribed to the fact that the economy of the Reich is almost completely divorced from the impact of world prices, whilst the detailed control over consumption was initiated earlier and went further in Germany, than in any other country, during the period to which these charts relate. It must again be emphasized that over the greater part of the world to-day the price level is no longer the expression of freely developing forces but is largely the result of governmental authority attempting to grapple directly with production, distribution and consumption.

The economy of Great Britain is now so closely dependent upon the course of events in the U. S. A. that it is interesting to compare the relative movements of primary commodity prices in the two countries (Chart II). It will be noted that, at the outbreak of the war, American primary commodity prices actually rose faster than the corresponding British price series. Thereafter the price series diverged markedly: the British price series reaching a maximum in August 1940, whilst the American series reached a minimum in the same month. Since that date there has been a tendency of the two series to converge: the British falling and the American rising, the latter movement being more marked than the former.

Although, for reasons already explained, the movements of security prices no longer—under conditions of controlled capital markets -possess the values they once had as effective guides to the distribution of capital, it is interesting to compare the movements of security prices (ordinary shares) in the U. S. A., the United Kingdom and Germany. (See Chart III.) In the earlier period, the prices of common stocks tended to synchronise, though the downward movement in Germany after the peak was much less marked than in the U. S. A. and in Great Britain. The recovery in the U. S. A. after the middle of 1938 was not so marked either in Germany or Great Britain, both countries thereafter being under the influences cast by the approaching war. From the outbreak of the war, the movements in Great Britain and the U. S. A. again tended to synchronize closely, whilst the German index has moved consistently and sharply upward throughout the whole of the period covered by the chart.

Index Numbers of Security Prices—Common Stocks.

[Base : 1926=100.]



General.

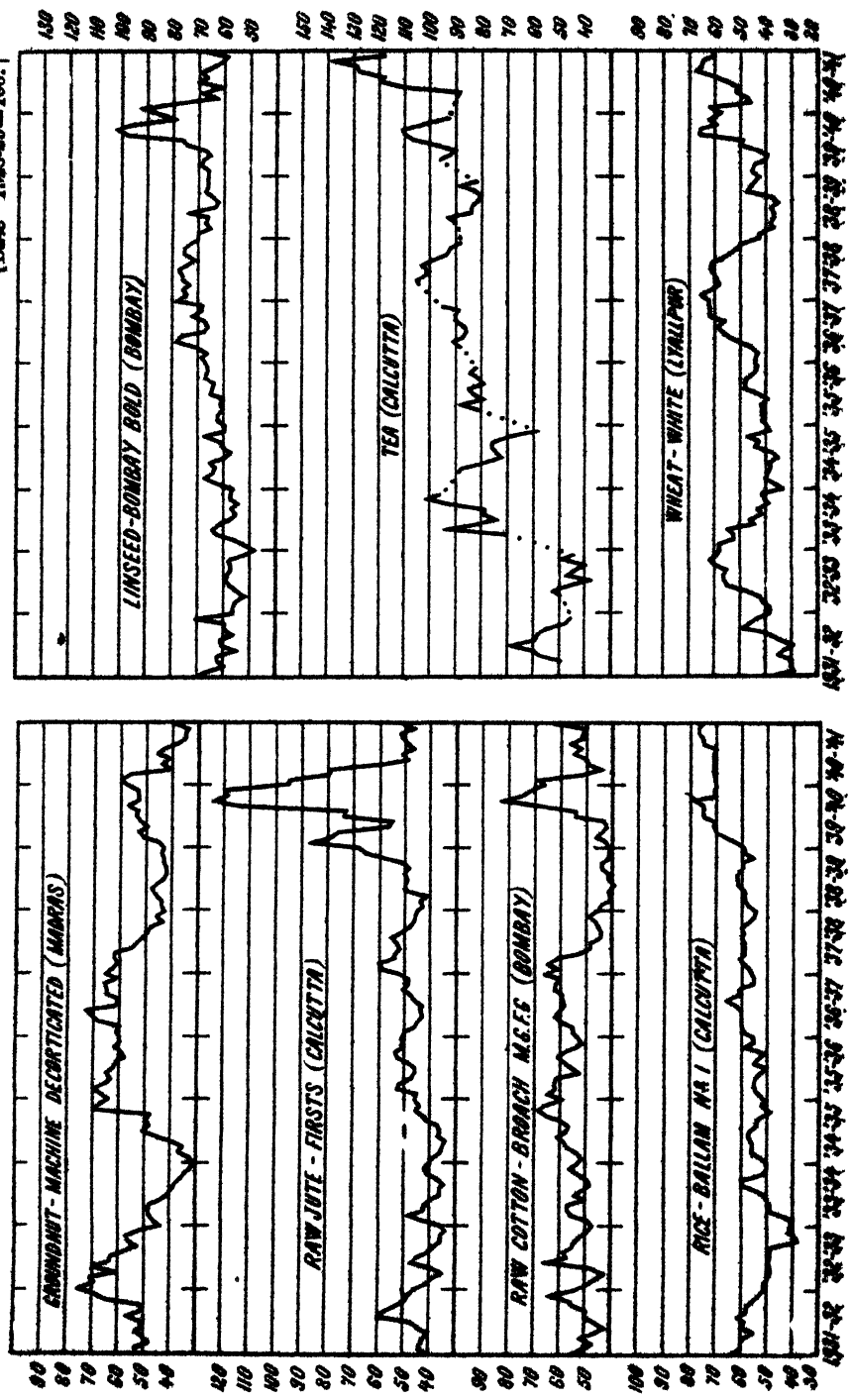
Agricultural Conditions.—Agriculture in India was subjected to two opposite tendencies during the year under review. While a considerable degree of expansion had taken place in the industrial sphere which was bound to lead to a substantial increase in the domestic consumption of primary products, there was simultaneously a heavy accumulation of surpluses in respect of several commodities which could only be absorbed at a severe sacrifice in prices. The dream of war prosperity seemed almost to melt away so far as Indian agriculture was concerned, after the months of May and June 1940 which witnessed an alarming drop in the prices of raw materials. The country was brought to the verge of a serious agrarian crisis in respect of certain commodities like jute, groundnuts and sugarcane which were burdened with enormous surpluses. Bountiful Nature blessed India with rich harvests at a time when the demand for her raw products was falling away. While sugarcane was hit by a contraction of the home market owing to the restrictions on the output of the manufactured product, and groundnut by the loss of export markets, raw jute suffered from both. A substantial part of the export business was lost as a result of the closure of important European markets from June onwards, while trade with other countries also was severely hampered by the scarcity of freight. Business confidence was rudely shaken by these events. In a state of nervousness, the markets came to attach an exaggerated degree of importance to the accumulation of stocks at the ports caused by a temporary lack of shipping facilities, and the possibility of such stocks being damaged by enemy action. Besides, the fluctuating politics of the Far East caused serious concern at times not merely because of the excessive dependence of certain raw materials (like short staple cotton) on the Far East, but because of the great anxiety felt in India for the preservation of the Pacific route for the growing commerce with the United States. Between April and July, the index of wholesale prices of primary commodities (19th August 1939=100) dropped from 124 to 112. From the beginning of August 1940, however, the shock began to wear off and prices resumed their upward trend without, however, being able to reach the level of April 1940 till the end of the year. Among other things, three important factors, which were almost completely overlooked in the initial state of panic, helped to restore business confidence. In the first place, it began to be realised that the rise in industrial activity which had come about as a result of the dislocation of import trade and the stimulus of war orders, was absorbing an increasing proportion of the domestic supply of raw materials. Secondly, the loss of export trade due to the closure of European markets was being partially made up by increased exports to Empire countries. Exports of Indian merchandise

(by sea) from British India to Empire countries other than the United Kingdom went up from ₹41,59 lakhs in 1939-40 to ₹51,67 lakhs in 1940-41—a rise of 24 per cent. The off-take of Indian goods by the United Kingdom was hindered by shipping difficulties ;—exports to the United Kingdom amounted to ₹64,97 lakhs in 1940-41 as against ₹72,48 lakhs in 1939-40 ;—and yet the purchases made by the British Government were a not inconsiderable factor in supporting the prices of Indian raw materials. The third factor which was equally important in strengthening the confidence of the markets was the increasing evidence of the desire on the part of the Central and Provincial Governments to help the primary producers in this temporary emergency. In July 1940, the Government of India introduced a scheme of war-risk insurance on land which at once allayed the fears of the market regarding the safety of trade stocks. This was accompanied by other measures such as the relaxation of the restrictions on the export of oilseeds to neutral countries, the despatch of an exploratory Mission to the United States, the evolution of a scheme for further extending the chain of Trade Commissioners and the setting up of a fund for the relief of groundnut cultivators. The knowledge that the surplus problem was actively engaging the attention of the Government, itself acted as a powerful stimulant. Simultaneously, the Bengal Government launched a series of projects to support the prices of raw jute, and though none of them individually achieved complete success. they helped cumulatively to avert the chaos which would have otherwise overwhelmed the jute trade. Among other measures taken by Governments for helping the agriculturist in this difficult period, mention may be made of the enforcement in Bengal of compulsory restriction of area under jute, the propaganda carried on in Madras for restricting the area under groundnuts, the various schemes of research undertaken by the Board of Scientific and Industrial Research for exploring alternative uses for vegetable oils and oilseeds, the steps taken by the Supply Department to ensure increased use of short staple cotton in the manufacture of textiles for Government purposes and the Coffee Control Scheme sponsored by the Government of India for securing a smooth disposal of the surplus due to the loss of European markets. The combined effect of all these factors,—particularly, the increase in domestic consumption of raw materials, the expansion of India's export trade with Empire countries and the measures taken by the Central and Provincial Governments to help the primary producers—was to restore the stability of the markets and, as said above, to help the prices to maintain a steadier trend during the latter part of the year under review. The trend of prices is further illustrated by the following chart.

CHART IV.

Index Numbers of Agricultural Prices of India.

[Base 1926-29=100.]



General.

With the conspicuous exceptions of rice and wheat, the average prices of almost all other agricultural products recorded a perceptible decline during the year under review. The price of raw cotton, M. G. F. G. Broach, for example, averaged R198 per candy of 784 lbs. during 1940-41 as compared with R212 in the preceding year. Raw jute fared even worse, the price of first grade being quoted at R37 per bale in March 1941 as against R66 a year earlier —or a fall of 44 per cent. The average price for the whole year 1940-41 was only R41 per bale of 400 lbs. as compared with R62 for 1939-40. Groundnut was the worst sufferer from the loss of European markets and consequently the price of machine decorticated groundnuts in Madras fell from R32 per candy of 500 lbs. in March 1940 to R22 in March 1941—a fall of 31 per cent. Over the year as a whole, the quotation averaged R24 as against R29 for the preceding year. Linseed prices were comparatively better, the price of the Bombay bold variety being on an average R7-6 per cwt. or only 13 per cent lower than in 1939-40. As said above, rice and wheat were conspicuous exceptions to this general trend; between March 1940 and March 1941, the former (Ballam No. I at Calcutta) rose from R4-12 to R5-2 per maund of $82\frac{2}{15}$ lbs. and the latter (wheat, white, at Lyallpur) from R2-13 to R3-1. The special factors affecting these commodities are explained below, but broadly speaking, it may be stated that the general trading conditions during the year under review were far from satisfactory for the majority of agricultural products.

Raw Cotton.—In spite of the abnormal conditions created by war and the consequent distortion of international price levels, the farm policies of the United States Government still remained the dominant factor in the world cotton situation. For three consecutive seasons, 1938-39 to 1940-41, more than 22 per cent of the world supply of cotton consisted of stocks carried over in the United States from the previous season and yet the effect of these stocks was largely neutralised by the American system of granting loans against cotton which absorbed 64 to 85 per cent of the annual carry-over in the United States of America during this period. During the 1939-40 season, the statistical position of American cotton was somewhat more favourable than in the preceding season. The 1938-39 season had closed with a record carry-over of 12·9 million bales, mainly because of the exceptionally small exports, though the crop was nearly 37 per cent smaller than in 1937-38 and domestic mill consumption was also fairly large. Thanks to the operation of the export subsidy which came into effect on the 27th July 1939, exports of American cotton showed a marked recovery in 1939-40, amounting to 6·2 million bales or 88 per cent more than in the preceding season, and this combined with a smaller crop, estimated at 11·8 million bales, and a large domestic consumption, reduced the carry-over of American cotton in the United States at the end of the 1939-40 season to 10·6 million bales which was 2·3 million bales less than the record carry-over at the beginning of the season. Of these reduced stocks, moreover, slightly more than 8·7 millions were under Government loan or owned by Government, leaving only 1·9 million bales as " free ". It has been stated that the total domestic disappearance of American cotton (net exports *plus* consumption) in 1939-40 was the largest since 1932-33 and with that exception since 1928-29. Apart from the export subsidy (which was discontinued in January 1940 so far as raw cotton was concerned), the credit

facilities offered by the U. S. A. Government through the Export-Import Bank to foreign customers and the cotton-rubber barter agreement between the U. S. A. and Britain were also instrumental in bringing about the increase in exports. Most of this increase had, however, taken place before May 1940 after which the outlook for the export trade became increasingly obscure. With the fall of France and the blockade of the major part of Europe by the British Navy, the only important export markets left for American cotton were Great Britain, Japan and Canada. It has been estimated that the mills in the areas now under German and Italian control consumed about 4¾ million bales of cotton in each of the seasons 1937-38 and 1938-39. The British blockade of these areas, therefore, necessarily involved a fairly substantial reduction in the international trade in cotton. Moreover, considerations of foreign exchange led certain important customers to restrict their consumption of American cotton. In view of these developments, the United States authorities decided to increase the rates of the export subsidy on cotton products, with effect from the 26th August 1940, to the extent of 80 to 88 per cent of the original rates. The export subsidy on raw cotton was not revived, as it was thought that it would serve little purpose in the present abnormal circumstances. The United States Government also announced its intention to make increased efforts to expand further the domestic as well as the foreign outlets for cotton products, so that at least a part of the loss of export business suffered by raw cotton might be offset by higher domestic mill consumption. Towards the middle of August, the American Administration announced the terms of the loan for the 1940-41 cotton crop. These terms were distinctly more favourable to the growers. Taking into account location differentials, the 1940 loans were expected to average about 8·90 cents per pound compared with the previous year's 8·70 cents. These steps were fully justified by later events, because during the first half of the 1940-41 season, the exports of cotton from the United States amounted to only 660,000 bales which was 84 per cent less than in the corresponding months of the 1939-40 season and was the lowest figure on record since 1868-69. The war has, thus, completely nullified the little improvement in statistical position which was recorded in the 1939-40 season. Besides, the crop in 1940-41 is also larger, being estimated at 12·6 million bales as compared with 11·8 million bales in 1939-40. The only redeeming feature of the situation is the marked upward trend of the domestic mill consumption which is likely to exceed 9 million bales in the 1940-41 season as compared with 7·7 million bales in the preceding season. Several factors have contributed to bring about the increase in the American mill consumption of raw cotton, such as large Government purchases of cotton products for defence purposes, an expanded export subsidy programme for cotton products, increased incomes of domestic consumers, large Government subsidies to domestic consumers of cotton and cotton textiles and increased efforts of private organizations to stimulate cotton consumption. Despite this record consumption, however, it is feared that if exports continue at their present level, the total disappearance of American cotton in 1940-41 might well prove to be the lowest since 1899. It is difficult to foresee how the international events will shape themselves, but on present indications it seems that even after allowing for the stimulus given by the war to the world's textile industries, the shrinkage of international trade is likely to lead to a further accumulation of surplus

cotton in important producing countries. Generally speaking, the effect of war on the world's cotton situation was decidedly adverse and special measures had to be devised in many countries besides U. S. A. to alleviate the distress of the cotton grower. In August 1940, the British and Egyptian Governments decided to set up a Commission to purchase all lint cotton derived from the 1940 Egyptian crop or as much as was offered to them before April 1941. It was agreed that the British Government should bear the whole of any net loss which might accrue, but the Egyptian Government should receive a share in the profits, if any, for spending it for the relief of the cultivators. During the year under review, smaller producing countries like the Argentine and Peru also took steps to help the growers by granting loans against their crops.

The position of Indian cotton in the year under review is to be viewed against the background of these world events. The statistical position of Indian cotton was generally favourable during the major part of the 1939-40 season. The season had opened with a reduced carry-over as compared with the preceding season and the crop was also smaller. The official crop estimate for 1939-40 was 4,909,000 bales which was 13 per cent smaller than the average of the preceding three seasons. The loss of European markets, however, which normally took about 25 per cent of the total exports of Indian cotton dealt a heavy blow to the export trade which had already suffered owing to the abnormal rise in prices brought about by the speculative boom in the first few months of the war. Consequently, exports of raw cotton from British India and Kathiawar ports amounted to only 2,348,000 bales in the 1939-40 season, as compared with 3,367,000 bales in the preceding season. As a result of labour strikes in the mill industry, mill consumption was also lower at 3,019,000 bales or 132,000 bales less than in 1938-39 season. Had it not been for the smallness of the crop, these adverse factors would have led to a heavy accumulation of surplus stocks in India. Actually, however, the carry-over at the end of the 1939-40 season turned out to be of a fairly manageable size, stocks in the hands of mills and trade being estimated at 1,971,000 bales as compared with an average of 1,975,000 bales at the end of the three preceding seasons. Indian cotton, thus, weathered through the first year of war more or less successfully, though it had to pass through some severe psychological upheavals during this period. After the debacle of January 1940 referred to in the last year's Review, when within a fortnight or so the price of M. G. F. G. Broach crashed from R337, its peak level for many years, to R279, the market was about to settle down, when in April it received another shock as a result of certain unfounded rumours to the effect that the Government of India intended to extend the restrictions imposed on the exports of certain oilseeds to raw cotton also. These rumours were promptly contradicted and the prices recovered, again to receive another set-back in May, following the German invasion of the Low Countries. In May and June, the cotton markets in India were in a panicky mood and it was not till the end of August 1940 that they were able to get over the psychological effects of the loss of export markets resulting from the spread of the war. Between the 3rd May and the 5th July, the quotation for M. G. F. G. Broach declined from R257 to R155, though it showed a feeble recovery in the next few weeks. The situation was further aggravated by the shipping shortage which became very acute from March 1940 leading to a heavy accumulation of stocks of

cotton already sold at the ports. The fear of these stocks being damaged by enemy action had a depressing effect on the market and caused a considerable amount of nervous selling. In order that the fall in prices might not be accentuated by short sales and overtrading, the Board of the East India Cotton Association issued a notice on the 10th June 1940 expressing its disapproval of forward sales by members against which a sufficient cover was not held by them. The Government of India also decided to introduce a system of war-risk insurance on land and this served to allay the nervousness of the market regarding the stocks of sold goods accumulated at the ports. The developments in the Far East were none too propitious and the outlook became very uncertain in July 1940 owing to the resignation of the old Japanese Cabinet and the rather threatening attitude adopted by the new Government in that country. By the end of July, however, there were signs of a gradual return of confidence. The market began to realise the inherent strength of its technical position, in view of the smallness of unsold stocks left over from the short crop of 1939-40 as against the possibility of an increased offtake by Indian mills and the current free buying by Japanese houses. The mills had every inducement for accumulating stocks of cotton, partly because of the low prices at which they were available and partly because of the growing volume of orders for textile goods which they were receiving from the Government and overseas customers. In spite of the rigorous system of exchange restrictions operating in Japan, exchange permits were being freely issued in that country during this period for the import of Indian cotton, though it must be added that this could not arrest the declining trend of the exports of Indian cotton to Japan. On the whole, the results of the 1939-40 season made a statisfactory showing, though, as said above, the cotton trade had to pass through many vicissitudes during this period.

As regards the 1940-41 season, the position was less satisfactory. The crop was estimated at 5,785 000 bales which was 18 per cent higher than in the preceding year. The increase was, moreover, unevenly distributed over different varieties. While the output of medium staple or long staple cottons was hardly adequate to meet the possible demand for them, there was a marked increase in the production of short staple cottons which were just the varieties which had suffered most from the loss of European markets and were comparatively more dependent on the uncertain and fluctuating demand from the Far East. With the progress of the season the inadequacy of the supply of medium and long staple varieties became increasingly evident and as a result of the keen competition from Indian mills and Japanese buyers, the prices of such varieties ruled consistently firm, while those of short staple varieties lagged behind. At a later stage, the Japanese buyers diverted a part of their demand to short staple cotton, while an amendment made by the Department of Supply in their cotton specifications brought about an increased consumption of such cotton in Indian mills also. The slump in the export trade, however, continued, the exports in the seven months ending March 1941 being 213,000 tons only as compared with 244,000 tons in the corresponding period of the preceding season. The shortage of shipping was responsible for a heavy reduction in exports to the United Kingdom, while doubts were felt about the future of the Far Eastern trade, not only on account of the political situation in that quarter but because of a variety of other factors such as the

heavy accumulation of cotton goods in Japan owing to the loss of export trade, the restrictions imposed in Japan on the use of cotton for articles meant for home consumption and the strenuous efforts being made by the Japanese authorities to increase cotton production in the yen bloc area of China. These efforts are designed to reduce Japan's dependence upon supplies from other countries, especially the United States and India. It has been stated that Japan has recently lost a substantial part of her export trade in textiles as a combined result of the conditions created by the European war, the development of an anti-Japanese sentiment in many countries and the higher production costs in Japan. If these tendencies continue, it is feared that Japanese imports of Indian cotton may show a further decline. For reasons explained in the last year's Review, however, India's exports of cotton to China continued to increase. They amounted to 66,000 tons in the first seven months of the 1940-41 season as against 24,000 tons in the corresponding period of the preceding season. As a result of the reduced production of cotton in China owing to the Sino-Japanese war and difficulties of getting cotton from interior parts to mill centres, China has been increasingly dependent in the last two years on imported supplies. The increased exports to China, however, could make up only a fraction of the trade lost in other directions. Apart from the export outlook, perhaps the most encouraging feature of the Indian cotton situation was the high level of activity in the mill industry which brought about a remarkable increase in mill consumption. During the seven months, September 1940 to March 1941, mill consumption of Indian cotton amounted to 2,044,000 bales, showing an increase of 17 per cent over the corresponding months of the preceding season. It is this increase in domestic mill consumption which provided the main source of strength for the cotton market in India, though in view of the slump in the export trade the problem of surplus cotton, particularly in respect of short staple varieties, could hardly be said to have been completely solved in this way.

Raw cotton figured prominently in the system of import restrictions inaugurated by the Government of India in May 1940. Under this system, imports of raw cotton from hard currency countries were restricted. An open general licence was issued in respect of cotton imported from other parts of the British Empire, Egypt and Anglo-Egyptian Sudan. Similar restrictions were imposed on the imports of raw cotton in the United Kingdom also. In May 1940, it was announced that imports of American cotton into the United Kingdom were to be restricted to 100,000 bales per month till September 1940. Shortly afterwards, the Board of Trade issued an order adding raw cotton, linters and waste yarn and thread to the list of articles subject to import licensing. An open general licence was, however, issued for imports of goods covered by this order except yarns and thread from any part of the British Empire, Egypt and Anglo-Egyptian Sudan. In October 1940, the Ministry of Supply issued an order making the use of all non-Empire cottons (except Egyptian, Sudanese and French African cotton) subject to licence. The control over the cotton trade was further extended in March 1941 when it was announced that with effect from the 1st April the Ministry of Supply would be the sole importer of raw cotton into the United Kingdom and would take over all unsold stocks of cotton and all arrivals thereafter at spot values.

General.

Raw Jute.—1940 was a year of severe trials for the raw jute trade. The rise in prices which accompanied the boom in the last quarter of 1939 proved short-lived, and a commodity which hoped to reap the richest rewards of the war situation turned out to be one whose plight was the most difficult of all. During the first half of the 1939-40 season, with the crop estimated at 9·7 million bales, and with mills working at 60 hours per week from the middle of November 1939, raw jute was believed to be in a strong statistical position and even when the jute mill industry met with its first disappointment in January 1940 owing to the British Government's decision to spread out the deliveries of sandbag orders up to the 31st August instead of the 30th April, the setback in raw jute prices proved only temporary. With the progress of the year, however, further disappointments followed and in subsequent months the trade had to pass through a succession of crises. Over-production, a drastic fall in export demand due to shipping difficulties and the loss of European markets, a continuous reduction in home consumption owing to the successive restrictions imposed on the output of jute manufactures and a series of earnest but only partially successful attempts made by the Government of Bengal to solve the problem created by such a serious mal-adjustment between demand and supply—these were some of the conspicuous features of the raw jute situation during the year under review. It will be recalled that in February 1940 the Government of Bengal had issued the Jute Regulation Ordinance 1940 with the intention of limiting the area to be sown in the 1940-41 season to that sown in the previous season. At the time when this Ordinance was issued, however, the prospects of raw jute were believed to be very favourable, as the reserve stocks in the hands of consumers had fallen to a low level and it was expected that even a big crop would be absorbed at a satisfactory level of prices. The Government was, therefore, prevailed upon to revise its decision and to confine itself only to propaganda for voluntary restriction. The propaganda had no effect, and duped by the hopes of an increased demand for war purposes, the cultivators actually sowed a much larger area than in the previous season. The result was a crop of 13·2 million bales, probably the largest ever grown. By the time this crop came into the market, the scene had completely changed and prices of raw jute had fallen by nearly 50 per cent as compared with what they were at the time when the Ordinance was withdrawn. The earlier estimates of the probable demand for jute were now drastically revised in the downward direction in view of the momentous events which had taken place in the interval. The German occupation of Scandinavia, Holland and Belgium, the fall of France and the entry of Italy into the war had deprived raw jute of some of its most important markets on the Continent of Europe which took nearly 56 per cent of the total exports of raw jute from India in the pre-war year 1938-39. The shortage of shipping which became very acute after March 1940 had also restricted the trade with markets still open. The extent to which the foreign trade in jute was affected by these events may be seen from the fact that during the year 1940-41 India exported only 243,000 tons of raw jute as against 570,000 tons exported in 1939-40 and 690,000 tons in 1938-39. Simultaneously, the home market was also shrinking. As said above, the slackening of foreign demand and the consequent accumulation of stocks forced the mills to restrict their output by successive reductions in working hours. By a special relaxation of the provisions of the Factory Act, the mills had been working 60 hours

per week since the middle of November 1939. On the 8th April, the working hours were reduced to 54 per week and on the 19th August to 45. As even this reduction in working hours (of 25 per cent as compared with the position before the 8th April) did not have the desired effect, the mills decided to curtail production further by closing down for one week in every four in the months of September to November. The arrangement was further extended in December 1940 and January 1941. All this involved a drastic reduction in the mills' requirements of raw jute at a time when an increased demand from mills would have served to alleviate the distress caused by overproduction and the loss of European markets. During the 1940-41 season (July-June) the mills which were the members of the Indian Jute Mills Association consumed only 989,000 tons as compared with 1,288,000 tons consumed by them in the preceding season.

From May 1940, prices began to fall precipitously and it was feared that if allowed to proceed unchecked, the fall in prices might constitute a grave threat to the position of agriculturists, especially in a province like Bengal where raw jute provides the most important source of cash income to the peasantry. Considering the vital importance of jute growing and manufacture to the people of Bengal, a crisis in the jute trade was bound to have far-reaching repercussions. Under these circumstances, the Government of Bengal could hardly afford to leave things to themselves without serious detriment to the entire economic fabric of the province. The problem raised was, however, of such magnitude that any action which the Government could take could only be in the nature of a palliative. In May 1940, the Government called a conference of jute interests to discuss the situation. The Conference served no purpose other than to reveal the wide divergence of opinion between the Government and the trade as to the measures required for checking the fall in prices. Shortly afterwards, on the 10th May 1940, the Government of Bengal issued an Ordinance fixing the minimum prices of hessians and jute in the Futures Market. The minimum rate for raw jute futures was fixed at R 60 and the maximum at R90 and the minimum rate for hessian cloth futures was fixed at R13 and the maximum at R21. The Ordinance evoked a strong criticism from a section of the jute interests who pointed out that the fixing of minimum prices in the Futures markets would not prevent trading in actual commodities at prices below the minima especially when there were still considerable stocks from the old crop awaiting liquidation and the market was extremely nervous about the size of the new crop. Actually, ready transactions in jute and jute manufactures at prices below the minima fixed for the futures trading were reported to have taken place shortly after the issue of the Ordinance. The only effect of the Ordinance was to bring the futures trading to a stand-still as it was impossible to put through any transactions at the minimum prices fixed by the Government. The Futures market, therefore, remained closed till the 2nd October 1940. On the 3rd June 1940, the Bengal Government took a further step towards the maintenance of jute prices. It was announced that the Government had decided to take up all sellers' offers of ready L. J. A. firsts (old crop) below a minimum rate. The Government made some small purchases under this arrangement, but it was pointed out by the critics that this was of no advantage to the agriculturists who had already sold their crop to the middlemen.

It was urged that the Government operations were confined to the surplus from the old crop, while the ryots were mainly interested in the new crop. Any attempt to buy the surplus from the new crop would have been regarded as a hazardous venture, because even if the Government were to purchase only 20 per cent of the new crop it would have required a sum equal to more than the total annual revenue of the Province. There was, however, no difference of opinion in any quarter as to the need for checking the fall in jute prices. Simultaneously, the situation in the hessians market was also becoming increasingly difficult owing to the excessive accumulation of stocks of certain varieties and the Jute Mills' Association was compelled to take certain steps to assist the dealers. This provided an occasion for an understanding between the Government of Bengal and the mills. By a gentlemen's agreement, the members of the Indian Jute Mills Association undertook to make all possible efforts for a period of six months to maintain the prices of raw jute and jute manufactures at specified levels. The Government on their part agreed not to undertake any legislation for a period of six months which aimed at fixing the prices of jute or jute manufactures. The conclusion of this agreement no doubt helped the trade to tide over a situation which would have otherwise been very grave, but in its actual working the agreement was found to be defective in many respects. In the first place, the prices fixed were considerably above the ruling levels and were likely to discourage consumption. Secondly, while the mills were required to pay stipulated prices for such quantities as they might purchase, there was no obligation on their part to buy any definite quantities. Even with the best efforts on the part of mills, the continued lack of demand for jute manufactures was bound to reduce the demand for the raw material. In fact, as the season advanced it became more and more evident that the demand from mills, even at the minimum rates, was quite inadequate to maintain prices in the *mofussil* except in a few districts where good quality jute was available. The agreement between the Government and mills was thus only partially successful in achieving its object.

The situation was further aggravated when the mills decided to close down for one week in every four in September, October and November, 1940. The new crop, moreover, consisted of a large proportion of inferior jute for which there was no demand. Both export and mill demand was concentrated on good quality jute which was in short supply while inferior jute was practically unsaleable. The Indian Jute Mills Association, therefore, strongly urged the Government of Bengal either to reduce the minimum prices to an extent sufficient to induce the mills to increase their purchases or to consider the introduction of a new mark. The Government, however, was unable to agree to the proposals. Subsequently, on the 4th December 1940, the Government of India convened a conference to which the representatives of the Governments of the jute-growing provinces and of the Indian Jute Mills Association were invited. The Conference agreed to a buying programme designed to prevent a temporary collapse of jute prices. The mills signified their willingness to agree to minimum buying prices and as this by itself would not succeed in averting a fall in prices, the Indian Jute Mills Association agreed to recommend to their members the adoption of a buying programme under which they were to aim at making purchases at agreed prices up to

specified amounts by specified dates. Any inability on their part to maintain this programme was to be made good by corresponding purchases on account of Government. The agreed prices were those suggested by the Association to the Bengal Government in November 1940, but the proposal for the introduction of a new grade of " low bottoms " was dropped. There was no obligation on the mills to buy jute of quality lower than the bottoms and any purchases of such jute which they might elect to make were to be outside the terms of the Agreement. The minimum quantity stipulated was 37½ lakhs bales to be purchased before April 15, 1941 (15 lakhs bales by January 15, 25 lakhs bales by February 15, 32½ lakhs bales by March 15 and 37½ lakhs bales by April 15).

The agreement of December 1940 was comparatively more successful than its predecessor in restoring the stability of the jute market. During the four months following the agreement, there was heavy buying of jute by middlemen and dealers with the result that prices in the *mofussil* at times ruled considerably higher than the parity of minimum prices fixed under the agreement. Mill purchases, however, were considerably behind the schedule laid down in the agreement. It was stated that the purchases made by the mills, though some 18·81 lakhs maunds short of the agreed quantity, were far in excess of the mills' current consumption and had, therefore, taxed the finances and storing accommodation of the mills to the utmost. This failure on the part of the mills to buy the stipulated quantity no doubt depressed prices, but there were one or two other factors which kept up the optimism of the market and induced middlemen to continue their buying operations. The most important of these was the announcement made by the Government of Bengal in November 1940 of their decision to restrict compulsorily the acreage under jute in the 1941 season by two-thirds of that sown in 1940. It was thought that even if this measure achieved only a partial success, it would go a long way towards solving the problem of surplus jute. Meanwhile, the prices of jute manufactures had begun to show an encouraging trend and this also served to prevent an undue fall in raw jute prices. The Calcutta index number of raw jute prices (July 1914=100), which fell from 99 in April 1940 to 50 in the following October, recovered to 56 in January 1941. Nevertheless, the market could not completely avoid the psychological effects of the apparent failure of the agreement to secure the disposal of surplus stocks, though, as said above, it must be remembered that a part at least of the short-fall in mill purchases was made good by increased purchases by middlemen. Prices of raw jute declined again during the last two months of 1940-41 but they showed a pronounced recovery just after the close of the year, the index number rising from 54 in March to 73 in June 1941. The genesis of that recovery is to be ultimately traced to the combined effect of the three factors mentioned above, namely, the December 1940 agreement regarding mill purchases, the sharp rise in hessian prices and the drastic reduction in cultivation enforced by the Bengal Government.

During the year under review the Government of Bengal took up the question of re-organising the jute futures market and appointed an expert, Prof. J. A. Todd, to make recommendations. The scheme evolved by Prof. Todd involved the setting up of a new body called the Indian Jute Federation

in supersession of another association at present controlling the future market. It was proposed *inter alia* that the members of the Exchange should be required to make substantial deposits with the Federation, that every transaction should be posted on the Price Board and that Price fluctuations should be limited to a daily rise and fall as fixed by the Board from time to time.

Groundnuts.—The spread of war in Europe resulted in a drastic curtailment of the outlets for Indian oilseeds. Groundnut was the worst sufferer, being dependent on the countries in Continental Europe for disposal of nearly three-quarters of its normal exports. Mainly because of the cessation of trade with these countries, the exports of groundnut seeds from British India were reduced to 339,000 tons in 1940-41, showing a decrease of 38 per cent as compared with 1939-40, and of 60 per cent as compared with the pre-war year 1938-39. From June 1940 onwards, the prices of groundnuts in India ruled consistently below the pre-war level and a feeling of extreme pessimism pervaded all sections of the trade. The index number of groundnut prices (1928-29=100) for the whole year 1940-41 averaged only 43 as compared with 53 for the previous year. The quotation for machine decorticated groundnuts at Madras which had closed at R32-4 per candy of 500 lbs. in March 1940 came down to R22-9 in June and though it subsequently recovered to R25-10-6 in September, the downward trend was again resumed in the following month. The next four months saw a further reduction in prices and in February 1941 the quotation stood at R18-13-4 which was probably the lowest level reached since April 1934. Thus, in 1940-41, the groundnut trade in India experienced one of the worst slumps in recent history. The situation, however, was not without its redeeming features. The fiscal year 1940-41 cuts across two crop seasons, 1939-40 and 1940-41 and it was in the latter season that the surplus problem became particularly difficult. In the earlier season, the fall in prices encouraged consumption with the result that almost the whole of the 1939-40 crop was absorbed. An important feature of the groundnut situation during recent years was the steady increase in internal absorption. Between 1937-38 and 1939-40, the production of groundnuts in India declined from 3,501,000 tons to 3,165,000 tons and an increasing proportion of the crop was retained for domestic consumption. The increase in home consumption is mainly accounted for by the recent expansion of oil crushing industry in this country, as is evident by the fact that exports of groundnut oil from British India amounted to 8·7 million gallons in 1940-41 which was more than double the quantity exported in the previous year. The industry has found an expanded market in Burma which took 6·4 million gallons of groundnut oil in 1940-41 as compared with 2·4 million gallons in 1939-40—an increase of 170 per cent. The exports of groundnut cake, however, recorded a marked decline. So far as the 1940-41 crop was concerned, however, it was feared that the problem would not solve itself so easily either through increased internal consumption or larger exports of groundnut oil to neighbouring countries. For one thing, the 1940-41 crop was much bigger than the 1939-40 one, being estimated at 3,473,000 tons or 10 per cent more than the crop in the preceding season. Secondly, while the European countries were open to trade for at least part of the 1939-40 season, the current season had to reckon with a complete cessation of trade with those countries. For these reasons, the market was likely to be burdened with a much larger

surplus and the pressure on the price level was likely to be greater during the current season. The sharp reduction in prices since October 1940 had already provided sufficient evidence of this tendency.

Next to the Netherlands and France, the United Kingdom is normally an important customer for Indian groundnuts. With the virtual cessation of trade with Continental Europe, the United Kingdom assumed a special importance and it must be recorded that purchases made by that country during the year under review operated as a powerful factor in mitigating the intensity of the slump in the groundnut market. Exports of groundnuts to the United Kingdom during 1940-41 amounted to 214,000 tons or almost double the quantity exported in the preceding year. In September 1940, it was announced that for the time being the British Ministry of Food would be making the bulk of its purchases in India of groundnuts at £10 per ton and of linseed at £12-10 per ton f.o.b. Indian port. The announcement served temporarily to check the decline in prices, but as the British purchases were necessarily governed by the shipping situation and as they could hardly be on a scale sufficient to counteract the effect of heavy crop arrivals, the market prices of groundnut could not catch up with the basic prices fixed by the British Ministry of Food. In fact, in November and December when the movement of the winter crop in South India came into full swing, market prices dropped heavily, while the prices paid by the Ministry of Food remained unchanged. This naturally led to a widening of the profit margin received by shippers. One obvious remedy for the situation was to reduce the fixed prices. As, however, an important object of the scheme was to help the groundnut producer, the Ministry of Food decided, at the request of the Government of India, to adhere to their buying price, but at the same time to recover from shippers a rebate, to be credited to a special fund, equivalent to the difference between the buying price and the prices actually paid by shippers to sellers. The fund so formed was to be used for the benefit of the cultivators. On the 20th February 1941, a Conference was held in New Delhi between the representatives of the Government of India and those of Madras, Bombay and Hyderabad State to discuss the details of the proposal. The Conference came to the conclusion that it was not practicable to enforce restriction of output by compulsion, but it was necessary to carry on propaganda directed towards a reduction of acreage. It was also agreed that it was difficult to devise practicable measures for a direct distribution of money to the cultivator. It was, therefore, decided that the most suitable method of helping the cultivator was to encourage the consumption of the crop partly by propaganda, drawing attention to the use of groundnut oil as an illuminant, and partly by increasing the consumption of groundnut cake as cattle food and manure. The Governments agreed to contribute on an equal basis with His Majesty's Government towards this fund and it was also decided that a small committee should be constituted for the purpose of assisting the working of the scheme. Other efforts to solve the general problem of oilseeds surplus include the various schemes initiated by the Board of Scientific and Industrial Research for exploring the possibilities of industrial utilisation of vegetable oils. Considerable progress has already been made in this direction. Since the close of the year under review, the price of groundnuts, partly as a result of seasonal factors, showed a decided recovery.

General.

Linseed.—During the first few months of war the prospects of Indian linseed were viewed with great optimism in India and it was thought that given the necessary shipping, Indian linseed would be able to command remunerative prices in export markets during 1940-41. The enormous scale on which naval and aircraft construction was proceeding in Western countries had increased the world demand for linseed oil, which had also acquired a special importance owing to the shortage of butter and other fats in those countries and the consequent need for increased manufacture of products like margarine for which it was an essential raw material. The world supplies of linseed were none too plentiful mainly because of the successive short crops in the Argentine, the world's largest linseed producer. Argentine linseed was, moreover, at a disadvantage in Empire countries where purchases from hard currency areas were being controlled. For these reasons, the outlook for Indian linseed was considered to be very favourable and it was even thought that the export surplus available in India might not be adequate to meet the requirements of Allied countries. The Government of India, therefore, issued a Notification in April 1940 restricting the exports of linseed, together with those of rapeseed and castorseed, to neutral countries with a view to conserve their supplies for the Allies It was explained that the Government of India had received an assurance from His Majesty's Government to the effect that the prices for these seeds would be based on the parity of prices prevailing in the Argentine for linseed and rapeseed and in Brazil for castorseed, due account being taken of the normal premium which Indian oilseeds enjoyed over the foreign varieties. All these calculations, however, were completely upset by the subsequent course of events and by June 1940, the outlook for Indian linseed changed to such an extent that the Government of India issued instructions immediately to relax the restrictions on the export of these oilseeds to neutral countries. Although the United Kingdom has always been the most important customer of Indian linseed, in normal times exports to Continental countries form a fair proportion of the total shipments of linseed from this country. The virtual cessation of trade with these countries from June onwards meant a serious loss to the linseed market, though it was subsequently made up by increased purchases by the United Kingdom. Contrary to earlier expectations, the surplus from the 1939-40 crop which came into the market in 1940-41 was also found to be larger than in the previous year. In spite of a reduction in acreage by 4 per cent, the crop in 1939-40 was estimated at 466,000 tons or 5 per cent higher than in the previous year. Later, the position of Argentina, India's principal competitor in the United Kingdom, underwent an important change. The decline in output, which was noticed in the preceding three seasons, was arrested and the Argentine crop in 1940-41 recorded an increase of as much as 44 per cent over the preceding year just when that country, like India, was also faced with a surplus problem owing to the loss of European markets. Consequently, the prices of Argentine linseed began to sag and this had a discouraging effect on the Indian market. All these factors necessitated a complete revision of the earlier expectations regarding the prospects of Indian linseed.

On the whole, however, linseed showed much greater resistance to world forces than the other commodities like groundnuts which were similarly affected. Statistically, linseed was in a much better position than groundnuts

Its principal market, the United Kingdom, was still open, though the shortage of shipping considerably restricted its buying power. In 1940-41, India exported 200,000 tons of linseed to the United Kingdom as compared with 172,000 tons exported in the previous year. Total exports were also higher, amounting to 238,000 tons as against 219,000 tons in 1939-40, though they were still considerably below the level of 1938-39 when 318,000 tons were exported. A reference has already been made above to the announcement made in September 1940 of the British Government's decision to buy the bulk of its requirements of linseed in India at a fixed price of £12-10 per ton f.o.b. Indian port. As in the case of groundnuts, increase in internal consumption also helped a great deal to preserve the stability of the linseed market. Linseed oil continued to be in keen and persistent demand which gave a considerable stimulus to the linseed crushing industry in India. In 1940-41, India exported 1,855,000 gallons of linseed oil to Ceylon, Burma, Straits Settlements and other countries as compared with less than half of that quantity in 1939-40 and less than one-seventh in 1938-39. The market, therefore, received a considerable support from local mills. Another important factor which contributed to the steadiness of the linseed market was the attitude of stock holders who generally refrained from selling at low prices, though it must be added that this led to an accumulation of stocks and at times to a sudden break in prices. On an average the prices of linseed in India in 1940-41 were 13 per cent lower than in 1939-40. The quotation for linseed, Bombay bold, which closed at R9-3 per cwt. in March 1940, improved to R9-14 in April, but fell sharply to R6-12 in June, and after a temporary recovery in July, to R6-8-6 in August. During the next three months, the market fluctuated at a higher level between R7-2 and R7-7, but the shortage of shipping and the consequent accumulation of stocks forced down prices again, the quotation falling to R6-5 in February 1941. In March 1941, the market steadied up again to R7-6-6. At this level the price showed a small gain of 3 per cent as compared with the pre-war price.

Wheat.- Against a background of abundant world surpluses and an unprecedented fall in international trade, the behaviour of Indian wheat presented a sharp contrast during the year under review. The wheat market in India was not completely free from bearish influences, but there were occasions when it developed almost a minor boom with prices surpassing even the best levels witnessed in the speculative boom of December 1939. The world situation, on the other hand, remained heavily unbalanced. Although the output of wheat in the world (excluding the U. S. S. R. and China) in 1939-40 was smaller than the record crop of 1938-39, the carry-over from 1938-39 was so large that the total supplies for the 1939-40 season turned out to be the largest in history. World exports during the 1939-40 season were satisfactory in spite of the war and were estimated at 600 million bushels as compared with an average of 575 million bushels in the five years ended 1938-39, being attributed to the building up of reserves by European countries in months prior to May 1940. However, stocks of wheat continued to increase, and stood at a still higher level at the end of July 1940 than a year earlier. On the 31st July 1940, stocks of wheat in the four major exporting countries, *viz.*, Australia, Argentina, Canada and the United States, amounted to 723 million bushels as against 687 million bushels on the corresponding date in

1939. The world production of wheat in 1940-41 season is estimated at 4,066 million bushels or about 220 million bushels below 1939-40 production and yet owing to the larger carry-over, the supplies of wheat for 1940-41 remained at about the record level of the previous season. The extent to which the statistical position of wheat is unbalanced in the 1940-41 season can be seen from a comparison of the total exportable supplies with the probable requirements of importing countries during the season. According to authoritative sources, the surplus stocks of wheat available for export between the 1st August 1940 and 31st July 1941 by the four major exporting countries of the world are estimated at 1,381 million bushels, as against which the probable shipments of wheat (including wheat flour) to importing countries during the same period are not likely to exceed 320 million bushels. This shrinkage in international trade is due partly to shipping difficulties and partly to the German occupation (and the consequent blockade) of the major part of Europe which is the world's largest wheat consuming area. The figure of 320 million bushels for world shipments of wheat is the lowest on record for many years and Broomhall states that it would probably be necessary to go back to the middle of the last century for a parallel. In the last Great War, exports were much larger, because Italy, France and Holland were all importing wheat freely. On purely statistical grounds, therefore, the world wheat situation held out little promise of any material improvement in the prices of wheat. So far as Indian wheat is concerned, the principal external factor is the competition of Australian wheat and in that respect the situation showed a marked improvement. Australia had a short crop in 1940 and consequently her export surplus was substantially reduced. The Australian crop of 1940 amounted to 83·2 million bushels only as compared with 210·3 million bushels in 1939. In January 1941, the Australian Wheat Board stated that including the carry-over from the 1939 harvest, it had only 87 million bushels on hand yet to be sold; of this quantity approximately 64½ million bushels were reserved for local consumption and flour export trade, leaving only 22½ million bushels available for export. Both on account of the short crop in Australia and the shortage of shipping which placed that country at a comparatively greater disadvantage, Australian competition with Indian wheat, particularly in Eastern markets, was less keen during the period under review.

In 1939-40, India was believed to have harvested a large crop of 10·8 million tons which showed an increase of 8 per cent as compared with the preceding year and which was considered to be the largest crop produced in many years. The fear that a crop of this size might leave a large surplus over consumption had a depressing effect on prices in the first few months of the year under review. Consequently, the Lyallpur quotation of ready wheat declined from R3-5 in April to R2-8-6 in June. As the season progressed, however, it was evident that the arrivals of the new crop were far below expectations and the stocks at most of the marketing centres were much lower than at the corresponding time of the previous season. Indeed, at certain ports like Karachi, the market stocks were at times hardly adequate to satisfy the brisk demand for ready wheat which prevailed during the period. In July and August, the Lyallpur quotation referred to above fluctuated narrowly round about R2-12-0 but in September it advanced to R2-15-9 and spurted

up further on the 23rd November to R3-12-6 which was 72 per cent above the pre-war level. At a time when most of the other staple products of India were showing only a feeble and halting recovery, the steep upward trend of the prices of a commodity whose statistical position either in India or in the world generally was believed to be anything but satisfactory was indeed a remarkable phenomenon. This rise in prices is to be attributed in the first place, to the extremely bullish view taken by the market of the entire war situation, as likely to lead to heavy purchases of wheat by the British and Indian Governments for feeding the huge armies concentrated in the Middle East. No account was taken of the possibility of Australian or other competition, as it was thought that availability of shipping, rather than relative prices, would be the dominant factor governing military purchases. In this respect India had a distinct advantage over Australia. Secondly, the Persian Gulf and Suez Ports offered a new market for Indian wheat during the year under review, and large quantities of wheat were despatched from Karachi to Persian Gulf Ports British India exported 24,200 tons of wheat to Persian Gulf ports during 1940-41 as against 1,500 tons in the preceding year. These Iranian purchases were largely instrumental in keeping up the optimism of the market. Thirdly, the internal demand for wheat flour was very satisfactory. Partly because of the substitution of wheat for rice which was in short supply, there was a good demand for wheat from Indian mills. A combination of these factors, combined with the fact that the size of the new crop arrivals gave little indication of the presence of bumper supplies led to a sharp rise in prices in October and November 1940. Besides, from October 1940 onwards, the sowings of the new crop were hindered by the prolonged drought in the wheat-growing areas of Northern India and this caused considerable anxiety about the prospect of the 1940-41 crop. This further encouraged the holding movement in the up-country centres where both dealers and cultivators were already showing considerable reserve in parting with their stocks. It is interesting to observe that at a time when the international trade in wheat was reduced to the smallest size in living memory, India's exports increased more than five and a half times as compared with the preceding year. In 1940-41, exports of wheat from British India amounted to 45,000 tons as against 7,800 tons in 1939-40, though they were still less than one-sixth of the quantity exported in 1938-39. In December and January, reports of widespread rainfall in the wheat-growing areas partially removed the earlier fear about the prospects of the new crop and this had a quietening effect on the market. During these months, the Lyallpur quotation fluctuated around R3-8. In February, the market ruled rather weak, owing to a temporary absence of Government buying and satisfactory reports about the progress of the new crop. The price of wheat at Lyallpur was quoted at R3-3-9 at the end of February. Towards the close of the year, prices again steadied up as a result of the improved demand from Persian Gulf Ports and other Eastern markets and the year closed with a quotation of R3-4-6 as compared with R3-1-3 at the end of the previous year. The average index number (1928-29=100) of wheat prices for 1940-41 was 57 as compared with 51 for 1939-40. At the close of the year, the wheat market generally evinced a firm tone because most of the factors which were responsible for a rise in prices during the year had continued to operate and were further reinforced by the fact that the wheat crop for 1940-41 was expected to be shorter than that

for the preceding season, being estimated at 10·0 million tons as against 10·8 million tons for 1939-40.

The import duty on wheat was due to expire on the 31st March 1941. In view of the obvious desirability, in the present circumstances, of not taking any step which might have an adverse psychological effect on the prices of agricultural commodities in India, the Government of India decided to continue the duty for a further period of one year from the 1st April 1941 at the existing rate of R1-8 per cwt.

Rice.—In discussing the rice situation in the last year's Review it was pointed out that the outbreak of war had introduced new factors which would probably tend to intensify the demand for rice from Eastern countries. It was expected that Japan would offer an increased competition for the Burmese supplies, while the other countries in the Far East might also like to build up emergency stocks. These fears largely came true during 1940-41 and their effect was strongly reinforced by certain additional factors which emerged in the latter part of the year. Rice prices in India were generally steady from April to October 1940, during which period the price of Ballam No. I at Calcutta fluctuated narrowly between R4-12 and R4-14 per maund. In November, the quotation spurted up to R5-2 and advanced further to R5-4 in January and February, showing an increase of 8 per cent over the pre-war level. Another variety called Kalma, Ordinary showed an increase of 40 per cent over the pre-war level, being quoted at R5-4 per maund in March 1941 as compared with R3-12 in August 1939. Among the factors which contributed to this rise, the most important was the partial failure of the Indian rice crop of 1940-41. The yield of rice in India during the 1940-41 season was estimated at 21,850,000 tons as compared with 25,800,000 tons, or a decrease of 15 per cent. This was the smallest crop produced in India in many years. Normally, the deficiency could have been made up by increased imports of Burmese rice, but the acute shortage of shipping during the year under review made it difficult to transport supplies from Burma in adequate quantities. In spite of her increased need, British India was able to import only 1,207,000 tons of husked rice in 1940-41 as compared with 1,887,000 tons in the previous year when domestic production was much higher. In December 1940, the Government of Burma announced their decision to extend the operation of the export duty of 2 as. 3 ps. per bag of 80 lbs. to exports of rice from Burma to India with effect from the 1st January 1941, but the imposition of this duty was by no means an important factor in the reduction in India's imports of rice which was mainly due to the scarcity of freight. India was, thus, faced with an acute shortage of rice which forms a staple article for millions of her population and both Central and Provincial Governments had to take special steps for relieving the shortage by making increased shipping available for the transport of rice. As a result of these steps, prices showed a slightly easier tendency in March 1941 when the quotation of Ballam No. I referred to above came down to R5-2, still remaining 6 per cent above the pre-war level. The extent of the rise in prices varied in the case of different varieties of rice, the rise being most marked in the case of those varieties which were comparable with Burmese rice.

General.

Exports of rice not in the husk from British India during 1940-41 amounted to 251,000 tons as compared with 262,000 tons in 1939-40. Most of the customers of Indian rice reduced their offtake, except Ceylon which took 117,000 tons during the year under review as compared with 91,000 tons in 1939-40—an increase of 29 per cent.

Industrial Conditions.—The first quarter of 1940-41 was crowded with momentous developments. Starting with the German invasion of Norway in April 1940 and culminating in the fall of France in June, the succession of events in the political sphere created a psychological situation which afforded little encouragement to industrial enterprise. Prices of manufactured articles steadily receded from April to August when on an average they stood barely 10 per cent above the pre-war level. With the growing shortage of shipping, the outlook of the export trade looked gloomy, while apprehensions were felt with regard to internal demand also owing to the rather precipitous fall in the prices of agricultural commodities which took place during this period. The jute mill industry was perhaps the worst sufferer from this sudden turn of events, though its reactions were felt by almost all industries in a varying measure. It was not till September 1940, that the markets were able to get over completely the psychological effects of the loss of European markets, though the failure of the German Blitzkrieg over the British Isles and the general improvement in the war situation had in the meanwhile paved the way for a gradual restoration of confidence. From September, prices of manufactured articles resumed their upward trend which was maintained till the end of the year. This rise in prices was the combined result of a variety of factors such as the receipt of further Government orders, the improved situation in the jute mill industry, the seasonal revival of demand for cotton piecegoods and the institution of a stricter Government control over the affairs of the sugar industry. In March 1941, prices of manufactured articles stood on an average 32 per cent above the pre-war level and were only slightly lower than the level prevailing a year earlier. Reviewing the year as a whole, Indian industries, with a few exceptions like jute and sugar, can be said to have enjoyed fairly satisfactory conditions during 1940-41. This is corroborated by the various indicators of business conditions which are discussed below.

Industrial Profits.—Changes in industrial profits provide one of the best indicators of business conditions. In India, however, the profit figures relating to a year are not available till long after the year is closed and this deprives them of much of their utility for interpreting the economic conditions of the immediate past. Generally speaking, profits declared in any particular year reflect in the main the conditions during the preceding year. Thus, profits declared in 1940 may be assumed to be mainly those earned in 1939 and the early part of 1940. Besides, different companies close their accounts on different dates, so that profits declared by them relate to different periods. A general index based on the sum total of such profits is, therefore, defective and can at best be used only as a rough index.

General.

The following table gives the general profit index for all industries.

Profits and Chain Index.

[Total for all industries.]

Year	No. of companies	Profits (R000)	Profits, same companies preceding year (R000)	Chain Index (Base 1928 =100)
1928	308	12,52,23	..	100·0
1929	308	9,76,19	12,52,23	78·0
1930	310	5,93,87	9,82,40	47·1
1931	317	3,58,11	6,06,98	27·8
1932	320	4,48,34	3,60,18	34·6
1933	324	5,73,21	4,48,91	44·2
1934	327	8,18,32	5,77,56	62·6
1935	335	9,25,02	8,36,52	69·2
1936	332	8,42,73	9,24,19	63·1
1937	334	8,35,11	8,62,86	61·1
1938	329	9,38,19	8,40,83	68·1
1939	293	9,63,83	8,20,20	80·1
1940*	129	11,24,44	8,03,93	112·0

* Figures for 1940 are provisional, as balance sheets of only 129 companies are available for that year.

Between 1937 and 1940, the index of industrial profits rose from 61 to 112—a rise of 84 per cent. The index for 1940 is provisional, as accounts of only 129 companies were available for that year, but it is more than probable that when complete data are available, profits declared in 1940 may still show a substantial gain over those declared in either 1938 or 1939. The trend of this index is largely governed by the figures relating to cotton mills, jute mills, iron and steel, and paper and it will be seen from the detailed discussion below that all these industries were in a fairly prosperous state in the latter quarter of 1939 and in the early part of 1940. Though the boom which developed in the first four months of war was largely speculative in character, there is no doubt that it helped some of these industries to clear away a substantial part of their accumulated stocks. As already remarked, however, these figures do not provide any evidence for judging the effects of the many vicissitudes of industrial conditions which took place since April 1940. The jute industry passed through a severe recession during that period and the various measures of restriction which it was forced to adopt must have severely affected its profit earning capacity. There was a crisis in the sugar industry which could only be overcome by a drastic cutting down of prices and profits. From September 1940, however, conditions in most industries

took a distinct turn for the better, but the effects of this on the profits of industries will be seen only when figures for 1941 are available.

Variable-yield Securities.—As a mirror of business psychology reflecting from day to day the current expectations of businessmen regarding the prospects of different industries, the stock exchange provides an invaluable guide to industrial conditions. Such expectations are, however, not always well-informed and are often influenced by irrational waves of optimism and pessimism. But whether rational or irrational, current expectations always exercise a vital influence on the future, in so far as the whole course of future events depends on the behaviour of human beings who are guided by such expectations. While, therefore, it may not be safe to measure the extent of industrial fluctuations by the price variations on the stock exchange, it is always useful to study the trend of such variations, because the trend can rarely be at variance with the intrinsic position of industries. A marked upward or downward movement in share prices nearly always indicates an improvement or deterioration in business conditions. The following table shows the index numbers of variable-yield securities in India and it will be seen that the variations in these index numbers generally conform to the different phases of the trade cycle since 1928-29 :

Variable-Yield Securities.

[Base : 1927-28=100.]

Months.	1927-28.	'28-29.	'29-30	'30-31.	'31-32.	'32-33.	'33-34.	'34-35.	'35-36.	'36-37.	'37-38.	'38-39.	'39-40.	'40-41.
April	93·8	101·0	97·7	95·6	74·5	61·5	81·4	95·5	109·7	105·9	125·2	102·3	97·6	123·0
May	93·8	101·1	97·0	93·2	68·7	61·0	82·6	97·2	112·4	108·1	124·5	100·0	100·8	115·6
June	95·4	100·5	96·3	89·8	64·1	58·1	85·1	96·9	110·7	109·3	121·3	100·5	100·4	(a)
July	95·8	100·3	97·3	86·1	62·3	61·4	86·7	97·8	109·8	114·7	123·7	107·7	100·0	111·7
August	96·5	98·1	100·1	83·8	58·5	66·8	86·7	102·6	102·7	113·3	124·5	107·8	98·5	109·5
Sept.	99·2	98·5	101·2	79·7	61·0	67·5	86·9	106·0	102·8	112·4	128·7	104·5	111·4	110·6
October	100·7	97·8	100·4	78·7	64·7	68·9	85·8	110·8	106·6	113·3	128·1	107·3	111·9	114·2
Novr.	107·4	96·9	97·1	77·1	65·6	69·0	85·0	111·5	108·7	117·1	121·8	109·5	124·7	119·8
Decr.	104·1	97·1	99·5	75·0	63·2	69·6	85·7	115·2	108·6	119·4	115·2	107·3	130·7	119·3
January	104·3	99·4	95·4	75·8	61·3	76·3	86·1	120·8	106·3	124·2	112·0	105·4	120·9	121·2
Febr.	104·6	99·9	93·2	76·6	63·3	77·4	89·4	119·4	105·5	126·6	109·0	103·6	121·6	122·9
March	104·3	100·6	93·6	76·1	63·8	77·6	92·8	112·8	103·7	137·0	108·5	100·8	122·1	123·8

(a) The index number for June 1940 could not be compiled, as dealings on the stock exchanges in India were severely restricted during that month

The period after April 1940 can roughly be divided into two parts : May to August 1940 and September 1940 to March 1941. During the earlier period, the share markets took an extremely pessimistic view of the prospects of different industries, and prices of industrial shares were marked down month by month, so that the index stood at 109 in August as compared with 123 in April. The spread of war in Europe had at that time shattered the earlier hopes of a roaring export trade ; and in June the markets fell into such a panicky mood that the authorities had to suspend dealings for a considerable length of time. From September, prices recovered and it will be seen from the index numbers that with a slight interruption in December 1940, the upward trend was maintained up to the end of the year. The index number rose from 109 in August 1940 to 124 in March 1941. This meant

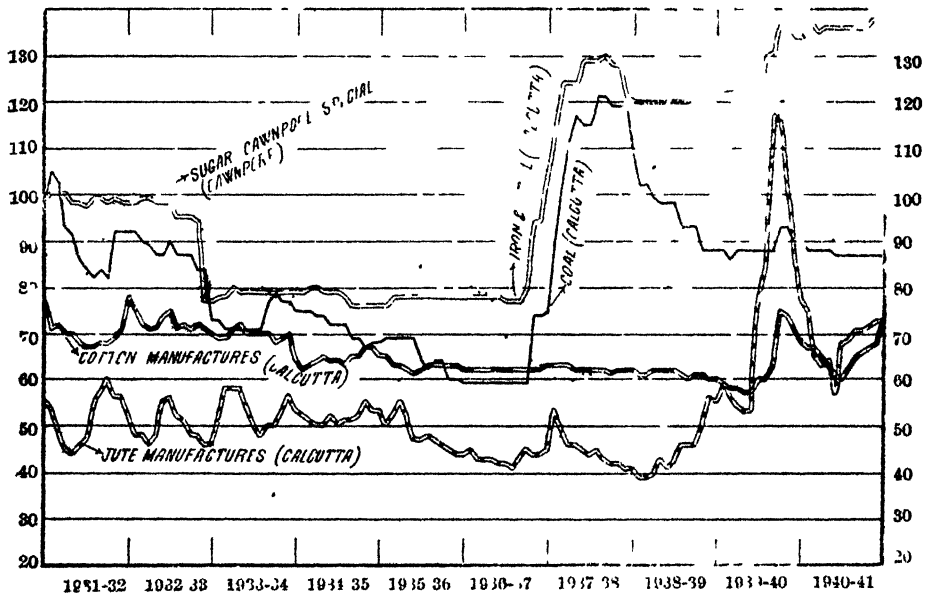
only a small rise as compared with March 1940 when the index stood at 122, but as compared with the pre-war level of August 1939, it meant a rise of 27 per cent. Though the index for March 1941 still remained considerably lower than that for December 1939 when prices were driven to high and untenable levels, the more or less consistent rise in share prices from September 1940 onwards reflects the growing confidence of the market regarding the prospects of Indian industries. Further, in spite of the untoward events of May and June 1940 and the inevitable rise in costs and increases in taxation, the profit earning capacity of Indian industries was reckoned by the stock exchange at about the same level in March 1941 as a year earlier. Thus, by the end of 1940-41, the market was more or less completely freed from the earlier pessimism about industrial conditions.

Industrial prices.—The following chart shows the course of prices of some of the important industrial products in India :—

CHART V.

Index Numbers of Prices of Principal Industrial Commodities.

[Base : 1928-29=100.]



Prices of industrial products were on an average at about the same level in 1940-41 as in 1939-40. In spite of this apparent similarity, however, the price situation was distinctly healthier during the year under review than in the preceding year. The high prices which prevailed during the first four months of the war were largely due to a speculative boom and it was the sudden end of this boom in January 1940 that started the recession which was later aggravated by the loss of European markets. From September 1940, the prices of manufactured articles resumed their rising tendency and every successive month till March 1941 saw the prices attaining a higher level. On this occasion, the rise was due to a genuine revival of demand and had less of the speculative element in it. The price situation was thus

distinctly more stable during the year under review and reflected a healthier state of affairs than in the preceding year. In December 1939, the index of wholesale prices of cotton piecegoods (1928-29=100) was raised to 75, but in the reaction which followed in the next few months, prices fell continuously till the index came down to 60 in September 1940. Thereafter, there was a genuine improvement in the outlook of the cotton mill industry as a result of a marked revival of demand, partly due to Government orders and at consuming centres, and increased exports to the African and other markets and consequently, the index went up month by month and stood at 74 in March 1941 which was only 1 point lower than the peak level of December 1939. In the jute manufactures market, the course of prices was largely determined by two factors, namely, the various measures taken by the Bengal Government for supporting the prices of raw jute and the successive restrictions on output imposed by the Indian Jute Mills Association. After the slowing down of sandbag deliveries from February onwards, prices assumed a marked downward trend which was only temporarily interrupted in May as a result of the Ordinance passed by the Bengal Government fixing the minimum price of hessians at R13 in the futures market. With this interruption, the decline in prices continued till August 1940 when the index of jute manufactures stood at 57 as against 78 in March. The two reductions in working hours, from 60 to 54 hours in April and from 54 to 45 in August, were unable to check the accumulation of stocks. From September, however, prices recovered mainly because of the decision of mills to close down for one week in every four for five months, September 1940 to January 1941, and the consequent reduction in stocks. This drastic restriction of output was mainly responsible for the improvement in the position of the jute mill industry towards the close of the year under review. This was reflected in a steady rise in prices of jute manufactures, the index advancing from 68 in September 1940 to 87 in March 1941. The demand for iron and steel continued unabated and consequently, till January 1941 the prices of both pig iron and finished steel fluctuated round about the level attained during the first few months of the war. In January 1941, the imports of iron and steel were subjected to import control and this led to a further rise in the prices of all iron and steel products. At the end of March 1941, the index of iron and steel prices stood at 138 as compared with 131 a year earlier. At the beginning of the year the sugar markets were deeply pre-occupied with their surplus problem but the subsequent imposition of control by the Provincial Governments averted a precipitous fall in prices. Nevertheless, the artificial position created by the high prices in 1939-40 had to be rectified and hence the Provincial Governments had to fix the basic prices of sugar at a much lower level as compared with the preceding year. In March 1941 the index of sugar prices stood at only 88 as against 119 in March 1940.

General.

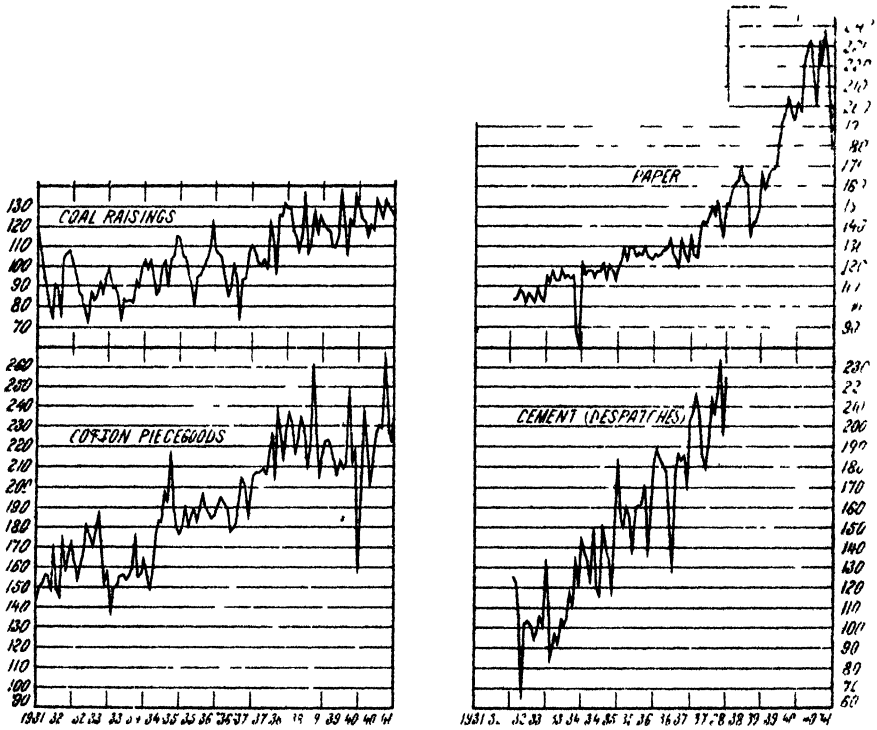
Coal was another article the prices of which showed a net decline during the year. The position of these and other industries is examined below in greater detail, but on the whole, it may be said that the prices of industrial products showed no material improvement and in some cases a marked decline, as compared with the previous year, though, in view of the artificial nature of the high prices prevailing in the last few months of 1939-40, this can by no means be taken as a sign of deterioration in industrial conditions.

Industrial production.—Changes in industrial production afford a good index of the state of economic activity in the country. A composite index of industrial production has not yet been constructed for India, but an idea of the trend of production in certain industries can be had from the following chart :—

CHART VI.

Indices of Industrial Production in India

[Base : 1928-29=100.]



In a period like the one under review when the initial impulse springs from a common cause, industrial expansion usually assumes a cumulative character and it will be observed that except in the case of a few industries, like jute and sugar, which were affected by special circumstances, the increase in production was fairly widespread. It is hardly necessary to expatiate on

the implications of this development from the point of view of employment and the general state of economic activity in the country. High prices, reduction in imports and a more or less continuous flow of war orders combined to produce a favourable situation for Indian industries and the effects of these factors were further reinforced by their secondary influence in augmenting the home demand. During the year 1940-41, the output of cotton piecegoods in India increased to 4,269 million yards as compared with 4,012 million yards in the preceding year, showing an increase of 6 per cent. The cotton mill industry was kept fully active during the year under review and had to resort to double shift working on a large scale. The growing demand for all kinds of iron and steel involved a further increase in the output of that industry. Coal raisings increased to 29 million tons in 1940, a level which was not attained in the past ten years. The paper industry also kept pace with the rising tempo of industrial activity, the output of paper in India rising to 1,753,000 cwts. its highest level since 1928-29, as compared with 1,416,000 cwts. in 1939-40 and 1,184,000 cwts. in 1938-39. The two important exceptions to this general trend towards expansion of output were jute manufactures and sugar. The production of the former declined by 14 per cent and that of the latter by 13 per cent as compared with the preceding year. In both cases, a reduction in output was forced upon the manufacturers by the heavy stocks carried over from the previous year. With these exceptions, however, industrial production in India was maintained at a greatly accelerated rate during the year under review as compared with the preceding year.

Apart from the major industries mentioned above for which production statistics are available, a large number of other industries received a powerful stimulus as a result of the conditions created by the war. The work done by the Supply Department is of very great interest in this connection. Several instances were cited in the last year's Review of the way in which the activities of the Supply Department have helped the progress of industrialization in the country. During the year 1940-41, the total value of orders executed by the two purchasing organizations of the Supply Department amounted to R76 crores. The orders placed by the Supply Department have encouraged the production of a number of industrial articles which were never produced in India before or were produced only in limited quantities. For reasons of space, it is possible to give here only a few more illustrations of these developments. The chemical industries in India are, for example, being rapidly developed to meet war requirements. The erection of a Government plant for the manufacture of super-tropical and tropical bleaching powder was referred to in the last year's Review ; it is now known that all other chemicals required for water sterilization and clarification are also produced in India. A firm in Northern India is reported to be manufacturing ammonium chloride which is an important chemical mainly imported from foreign countries in pre-war days. Manufacture of soda ash has also commenced. A private company is reported to have made plans for the erection of a new plant to produce caustic soda, liquid chlorine, bleaching powder and hydrogen. It has recently been announced that several essential stains of excellent quality used for bacteriological work are being produced in India. Moreover, investigations are being made as to the possibility of

producing strontium carbonate from indigenous raw materials. A large number of items of medical supplies which were so far imported are now being made in India. The manufacture of new products, like dry blood, certain disinfectants, vitamin C tablets and several essential drugs and medicines which were formerly imported exclusively from Germany or England has been attempted with considerable success. Medical dressings including bandages, lint and field-dressings are now made by Indian concerns and large quantities have recently been supplied to East Africa. A Bengal firm has been able to manufacture chloroform which has been found satisfactory by the medical authorities. Vulcanite containers for pills and tablets have been substituted by Indian ash wood containers. Oxygen outfits are being produced for the first time in India. It has been established that a suitably sized cotton or silk thread produced in India can be used in place of catgut in surgery. The manufacture of tinted spectacles has been established and investigations are being made into the possibility of indigenous manufacture of wooden handles for tooth brushes. A sugar factory is reported to be trying to produce liquid glucose on a large scale. It is understood that the Supply Department is taking steps to re-organise some of the workshops of the Mathematical Instruments Office so as to enable them to make a portion of the Army's requirements of optical stores. Considerable progress has been made in the production of armaments and munitions, as will be seen from the fact that out of some 40,000 items required by the Defence Services, 20,000 are already being manufactured in India. These include weapons, ammunition, ordnance stores, clothing, leather manufactures, engineering stores and numerous raw, fabricated and semi-fabricated materials. Investigations have been started as to the availability of materials and facilities for the fabrication of complete parachutes. Orders have been placed with certain Indian States for the supply of timber and burnt coconutshell. The latter is used for the preparation of activated charcoal for use in anti-gas respirators. The resources of the civil industries have also been used for the production of miscellaneous articles required by Ordnance factories such as empty shells and fuses. Small arms and ammunitions to the air force specifications are reported to be in production, and the manufacture of Inglis bridges, not previously made in the country, has also been undertaken. With a view to utilising the spare time productive capacity of the sugar industry, an order has been placed with a group of sugar mills for the manufacture of ambulance stretchers. Preparations for the manufacture of aeroplanes are making satisfactory progress and it has been announced that the Government of India have entered into a contract for the purchase of military aircraft from the company concerned. It is understood that the possibility of constructing sea-going lighters is under investigation. It has been proved that India is capable of supplying small naval vessels. The output of metal and mineral industries has considerably increased in recent months. The Indian glass industry has recently expanded in several directions and several new types of glass articles are being produced and exported. A special substitute for reinforced glass has been manufactured and has received the Government's approval for certain classes of army buildings. A glass substitute known as "windolite" has been produced and is said to have great possibilities. Most of the stoppered

glass bottles, hitherto imported from England, are now being obtained from indigenous sources. The Indian glass industry has also been able to produce glass slides for microscopes, prismatic glass and opal shades for use aboard ships. The cotton mill industry has, similarly, several innovations to its credit. The cloth known as cotton-jute union fabric has been found serviceable for a great many purposes for which flax only was used. Five-fold yarn is another important new product of which the mill industry has supplied large quantities to other countries. In addition, a number of other small industries have received a fillip as a result of war conditions such as, for example, cigarettes for which substantial orders were received from allied countries, waterproof packing paper, *khaki* dyes made from indigenous materials which have replaced mineral *khaki* in the manufacture of groundsheets, dyed canvas, etc., assembling of trailer fire-fighting pump sets, buttons made of coconut-shell, fish oils and several classes of rubber manufactures required by the Defence Services. Certain small occupations like tailoring have also received encouragement from the Supply Department which recently announced the establishment of five circles for utilising local tailoring labour for purposes of army clothing. The handloom industry has received further orders for the manufacture of army blankets. An important part of the Supply Department's activities is to explore the industrial possibilities of the country and investigations made with this object have yielded valuable results. It is understood that knive clasps (British pattern) are being produced by a factory in Rampur State, and another factory in the same area is producing bakelite. Bakelite can be used as a substitute for certain articles of enamelled ware and the shortage of these would be considerably relieved if the output of the bakelite factory can be increased. On an enquiry received from Egypt, it was discovered that Indian industry was in a position to supply electric accumulators of automobile or similar type The Supply Department has been examining the possibilities of using sisal substitutes for cordage and rope manufactured from manilla hemp. The Department has also recently undertaken a survey of the canning industry in India in order to ascertain how far the industry is capable of supplying army needs.

The researches made under the auspices of the Board of Scientific and Industrial Research have also contributed to the progress of industries in a considerable measure. The Board has already evolved several new industrial processes and the Government of India have set up a body called Industrial Research Utilization Committee to devise ways for the commercial exploitation of such processes. The more important among these processes are: laminated paper fibre board; air foam solution, dry cell manufacture; resin impregnation of wood; manufacture of glass substitutes which possess fire-resisting capacity and are of great advantage in war zones where aerial bombings cause damage from flying pieces of ordinary glass panes; the utilisation of bhilwan nuts, from which oil is extracted in the C. P. and South India for use in paints and enamelling; and manufacture of luminous pigments and paints.

Industrial Disputes.—In the absence of wage and unemployment statistics, an idea of the labour situation can be had from the statistics of industrial

disputes. The following table gives the number of disputes, the men involved and the working days lost in India from 1928 :

Year	No. of disputes	Men involved	Working days lost
1928	203	507,000	31,647,000
1929	141	531,000	12,166,000
1930	148	196,000	2,262,000
1931	166	203,000	2,408,000
1932	118	128,000	1,922,000
1933	146	165,000	2,169,000
1934	159	221,000	4,776,000
1935	145	114,000	973,000
1936	157	169,000	2,358,000
1937	379	648,000	8,982,000
1938	399	401,000	9,199,000
1939	406	409,000	4,993,000
1940	322	453,000	7,577,000

The total number of strikes during 1940 was 322. The number of men involved was higher than in the preceding year, being 453,000 as compared with 409,000 in 1939. The number of working days lost was, however, considerably higher, being 7,577,000 as compared with 4,993,000 in 1939. The two industries to suffer most from strikes were cotton and jute. They accounted for 42·2 per cent of the strikes, 73·2 per cent of the workers involved and 79·8 per cent of the loss of working days. In 211 disputes, the chief demand related to wages or bonuses.

Cotton Mill Industry. —In the midst of otherwise turbulent times the cotton mill industry of India steered its course, on the whole, peacefully. After the termination of the general strike in Bombay textile mills on the 13th April 1940, no other major crisis threatened the industry during the rest of the year and though the piecegoods trade was extremely sluggish till the beginning of September 1940, the year as a whole can be said to have brought in substantial profits to the industry. Indeed, the recovery of the piecegoods trade can be said to have started only during the year under review and not, as it once appeared, in the preceding year, though in the first four months of war excitement the

piecegoods trade also was misled by the phenomenon of rising prices. The brief spell of recovery which the industry then experienced proved almost an illusion, the only reality about it being the labour troubles which it caused and the wage increases which the mills had to grant as a consequence. There was no doubt a considerable volume of brisk trading during that period which enabled mills to clear away a substantial part of their heavy stocks at remunerative prices, but the increase in trading was not based on anything like a revival of consumption, but was due almost entirely to an attempt on the part of speculators and dealers to anticipate such a revival. The attempt proved premature, because the rise in the prices of primary commodities had not then reached the masses and the rise itself came to an abrupt end in January 1940. Consequently, the stocks of piecegoods which had changed hands from mills to dealers in those four months did not move further into consumption with the result that from January 1940 onwards dealers had to reduce their purchases and mills which were only temporarily relieved of their stocks began to accumulate them again. Prices also were adversely affected by these developments and it will be seen from the Table given on page 42 that the index number of prices of cotton manufactures (September 19, 1931 =100) which rose from 86 in August 1939 to 116 in December 1939 came down by successive stages to 105 in March 1940. This decline in prices and the deterioration of the stock position of mills continued very nearly up to the end of August 1940 when the index number stood at 95 or 10 points lower than in March 1940. From September, a pronounced recovery set in and with a revival of consumption demand and an increasing flow of war orders, in addition to the continued enquiry from overseas markets, prices of piecegoods advanced progressively, the index number rising from 95 in that month to 113 in March 1941 and further to 117 in the following May. Prices of piecegoods thus exceeded the level attained at the height of the speculative boom of December 1939. During these months, the mill industry was kept fully active and was able to book a substantial volume of business for forward delivery. In each successive month more and more mills resorted to double shift working and mills which had closed down in the early part of the year resumed operations In December 1940, production of cotton piecegoods in India attained its peak, the index (1928-29= 100) rising to 267 which was higher than in any month during the last decade. In subsequent months, production fell off slightly, and yet the average monthly index of production for the period September 1940 to March 1941 was the highest in the history of the mill industry. Statistics of cotton consumption provide further evidence of the remarkable improvement in the industry's productive activity during this period. Mill consumption of Indian cotton in India during the last seven months of 1940-41 amounted to 2,044,000 bales as compared with 1,744,000 bales in the corresponding period of the previous year. If any further testimony is required of the effect of war on the position of the mill industry, it is provided by the following observations of the Chairman of the Millowners' Association, Bombay, at its annual general meeting in March 1941. "The signs at the moment" he said "are no doubt encouraging. From August last year, the position has improved. At the end of January this year, unclaimed stocks with mills were comparatively low and our market reports indicate that stocks with merchants in the more important consuming centres are also not heavy. Prices of both cloth and yarn have risen to more

reasonable levels, and if this state of affairs continues, the industry should make fair profits in 1941 ".

In spite of shipping difficulties, the industry's expectations of a growing export trade with the Eastern markets were completely fulfilled during the year under review. Exports of cotton piecegoods from British India during 1940-41 amounted to 390 million yards which showed an increase of 76 per cent over the preceding year and of 120 per cent over 1938-39 and were higher than in any year during the past decade. A number of Empire countries such as East Africa, West Africa, South Africa, the Straits Settlements and Australia, which were unable to procure their normal supplies from European countries diverted their demand to India, while other countries like the Netherlands East Indies and Egypt also began to take a keener interest in Indian piecegoods. Export business, which was hitherto regarded more or less as a side line by the cotton textile industry, began to assume an increasing importance as a result of these developments. On the other hand, while the export trade was expanding in this way, the import trade was subjected to severe handicaps owing to war conditions, thereby giving the Indian industry a welcome respite from foreign competition. The growing strain of the "Chinese incident" on the national economy of Japan showed itself in a steep upward trend of Japanese wholesale prices and this combined with the phenomenal rise in freights and insurance rates placed Japanese goods beyond the pale of competition with several classes of Indian manufactures. Besides, business with Japan was rendered extremely difficult owing partly to the scarcity of shipping space and partly to the operation of exchange control in that country. Trading with the United Kingdom was even more difficult. During 1940-41, imports of piecegoods from the United Kingdom into British India were reduced by 61 per cent as compared with 1939-40 and by 73 per cent as compared with 1938-39. The reduction in the import duty on British piecegoods by 2½ per cent *ad valorem* (with a proportionate reduction in the specific duty on grey piecegoods), with effect from April 1940, which was reported in the last year's Review, was thus of little help to the import trade in British piecegoods. Imports of piecegoods from all sources amounted to 447 million yards only as against 579 million yards in 1939-40 and 647 million yards in 1938-39. In short, the Indian cotton mill industry found a wider market during the year under review both at home and abroad.

On the other side of the picture, it is necessary to draw attention to certain adverse effects which the war produced on the costs of production of the industry. Reference was made in last year's Review to the General Strike of March 1940 and the wage increase granted in the following month. During the year under review, there was a further rise in the prices of imported mill stores and in the case of certain dye-stuffs the rise was accentuated from December 1940 when they were brought under the scheme of import trade control. Moreover, in common with other industries, the cotton textile industry also had to shoulder a heavier burden of taxation during the year under review owing to the enhanced rates of income-tax and the Excess Profits Tax. If allowance is made for all these factors, it will be seen that a considerable part of the rise in the prices of cotton manufactures was accounted for by increases in costs of production.

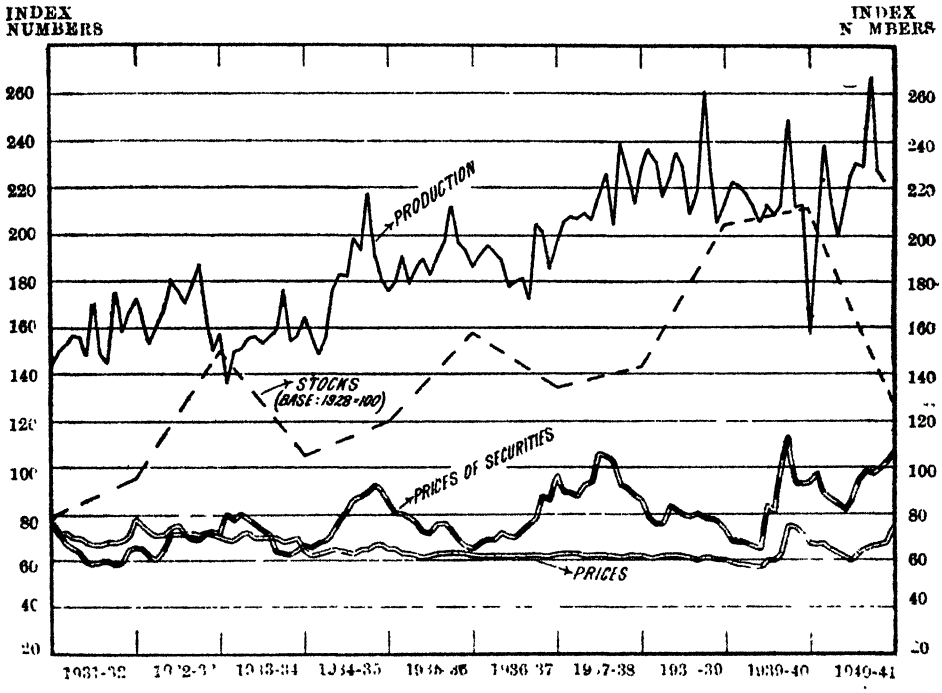
General.

The following Chart shows the main indicators of the position of the cotton textile industry during the last ten years :—

CHART VII.

Cotton Manufactures.

[Base : 1928-29=100.]



It will be seen that since the last quarter of 1939-40, prices of cotton mill shares showed a parallel movement with those of cotton manufactures. Both followed a generally downward trend till September 1940, because of the general slackening of demand for cotton manufactures and the adverse psychological effects of the war situation. From September 1940, however, the markets evinced a growing measure of confidence, as a result of which the earlier trends were reversed. As already pointed out, prices of cloth improved steadily during the last seven months of 1940-41 and the rise was more than maintained in April and May 1941. The trend of share prices was equally conspicuous. After falling from 97 in April 1940 to 82 in August, the index relating to cotton shares (1928-29=100) went up more or less continuously in subsequent months and stood at 106 in March 1941, which was its highest level for several years. This remarkable advance in the values of cotton shares reflects the confidence of investors in the improved outlook of the cotton mill industry during the year under review.

Subject to a time-lag, the profit figures usually provide a good indicator of the position of an industry. A table is given below which shows the chain index of profits earned by the cotton mill industry since 1928. It will be seen that from the autumn of 1929 till the beginning of 1936, the industry was in a depressed condition. From 1936, things began to improve and the industry was able to declare satisfactory dividends during the last four years. Profits

declared in 1940 partly reflect the effects of war conditions and it will be observed that the chain index for that year though lower than that for 1938 when the industry declared the highest profits in recent years, was still higher than the index for any other year since 1929.

Cotton Mill Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index. [Base, 1928=100]
1928	58	1,23,02	..	100·0
1929	58	1,21,97	1,23,02	99·1
1930	58	46,68	1,21,97	37·9
1931	58	64,63	46,68	52·5
1932	58	1,01,85	64,63	82·8
1933	58	41,74	1,01,85	33·9
1934	58	1,10,85	41,74	90·1
1935	59	1,07,63	1,08,95	89·0
1936	59*	1,17,90	1,06,46	98·8
1937	59	1,64,96	1,17,90	138·2
1938	57	2,48,53	1,64,96	208·3
1939	28	1,04,96	1,39,40	156·8
1940	26	1,23,53	1,01,91	190·1

* Companies are not the same as in the preceding year.

The price index used for the chart on page 41 is defective in one respect in that it contains too many quotations for imported varieties of cotton manufactures, but no better series is available from 1928-29. A more representative selection of cotton manufactures was secured for both indigenous and imported varieties for a special index number compiled in the Statistical Research Branch, which is given below :

Index Numbers of prices of Cotton Manufactures in India at the end of each month.

Base · September 19, 1931=100.

	1937-38.	1938-39.	1939-40.	1940-41.	1941-42.
April	96	95	89	105	116*
May	96	95	88	103	117*
June	96	94	88	100	..
July	96	93	87	97*	.
August	98	93	86	95*	
September	98	93	92	95*	..
October	98	93	92	98*	.
November	97	92	95	100*	..
December	96	92	116	101*	.
January	96	91	108	103*	..
February	96	91	106	105*	..
March	96	90	105	113*	

*Estimated.

It will be seen that this index shows the same trend as the other index, though in a more accentuated form.

During the year under review, the Government of India took up the consideration of the question whether the handloom industry was adversely

affected by the progress of the cotton mill industry and if so, what steps should be taken to safeguard the interests of the former. A circular was sent to commercial bodies inviting their views on the various suggestions which had been made to minimise the competition between the two sections of the textile industry, namely, to impose an excise duty, a terminal tax or a cess on mill-made cloth or to restrict mill output by prohibiting mills to produce certain classes of cloth or by fixing a quota. The replies received in response to this circular were discussed in a Conference held at New Delhi on the 7th December 1940. The Conference came to the conclusion that a Fact-Finding Committee should be appointed to survey the position of the handloom industry in all its details. The Conference agreed that it was not desirable to levy an excise duty on mill-made cloth, while as regards a cess on yarn consumed in mills, the suggestion was deferred until the report of the Fact-Finding Committee was available. In accordance with these decisions a Fact-Finding Committee (Handloom and Mills) was appointed in February 1941. The Committee was asked *inter alia* to make a survey of the handloom industry in each Province and State, to ascertain the nature of the competition between handlooms and mills and in particular, to investigate how far an enactment prohibiting mills from using yarns of low counts would help the handloom industry in maintaining its production.

Jute Mill Industry.– Within a short period of two years, 1939 and 1940, the jute mill industry of India passed through a cycle of booms and slumps. In 1938, the industry was in the throes of an acute depression and the Government of Bengal had to promulgate an Ordinance enforcing a restriction of working hours from 54 to 45 per week. By the beginning of 1939, however, the industry had not merely emerged out of the depression, but was looking forward to boom conditions. The voluntary working hours agreement of January 1939 had at last put an end to the state of chaos which reigned in the industry for several years previously, while the huge sandbag order which was received in the following month seemed at once to brighten the outlook by creating expectations of further orders. In the speculative boom which followed, prices of jute manufactures were pushed up to record levels. The rise in prices was not based on a genuine revival of consumption, and therefore brought about its own corrective. By the end of July 1939 when the sandbag order was nearing completion, the industry again fell into a depressed state and the mills had to reduce their working hours from 45 to 40 per week. On the outbreak of war the tide turned again and during the next four months the mills were flooded with orders for various kinds of jute manufactures. The industry was no longer faced with the problem of over-production, but with that of increasing its production to its maximum capacity so as to be able to cope with the growing volume of war orders. With that end in view, the hours of work were increased by successive stages to 54 per week and later in November 1939 to 60 per week by a special relaxation of the provisions of the Factory Act. It seemed that the stage was set finally for a large expansion of output and that the industry's progress was assured for the duration of the war. These expectations, however, did not materialise and unfortunately the cycle repeated itself in January 1940 when the announcement that the British Government had decided to postpone the date for the delivery of existing orders for sandbags from 30th April to 31st August brought about a crash in the jute markets. From January to August 1940, the prices

of jute manufactures showed a more or less continuous decline and a feeling of acute nervousness pervaded all sections of the trade. Simultaneously, the shipping situation worsened from March onwards, and the stocks with both mills and dealers began to mount up. These developments forced the industry to revert to the earlier phase of restricted production and from April 1940 the working hours in mills were again reduced from 60 to 54 per week. The machinery set up by the working hours agreement of January 1939 stood the industry in good stead during this period when an exceptional degree of elasticity of output was required to meet violent fluctuations in demand.

The troubles of the industry were further aggravated by a variety of other factors. Although the European countries normally absorbed only a small proportion of the total exports of jute manufactures, the closure of these markets affected the demand for jute manufactures in an indirect manner. The shrinkage of the export trade of countries which were mainly dependent on Continental Europe for the disposal of their produce meant naturally a reduction in their requirements of packing materials, while the use of substitutes was also encouraged as a result of the increased surpluses of competing fibres. The extremely gloomy outlook of the raw jute trade, moreover, acted as a constant drag on the price level of jute manufactures. With more than half of the export trade wiped out for the duration of the war, with the season's crop estimated at a record figure, and with an unusually large proportion of the crop consisting of poor quality, the situation in the raw jute market presented a disconcerting picture. The consumers of jute manufactures had, therefore, every inducement to defer their purchases till the downward pressure on the prices of raw jute brought about a re-adjustment of the prices of jute manufactures also. The series of attempts made by the Bengal Government towards the maintenance of prices were only partially successful, because the market never felt confident that the single-handed efforts of a Government would be equal to the magnitude of the task involved. A detailed account of these attempts has already been given in the Section on Raw Jute and a brief resume may suffice here. On the 10th May 1940, the Government of Bengal promulgated an Ordinance fixing the minimum prices of hessians and jute in the futures market. Prices of actual commodities were, however, left free from control, with the result that they continued to decline. The normal price relation between the future and spot markets being thus disturbed, the only net result of the Government's policy of fixing prices in the futures market was to bring the transactions in that market to a standstill. In June 1940, the Government decided to take further measures towards the maintenance of prices and announced its willingness to take up all sellers' offers of ready L. J. A. firsts (old crop) below a minimum rate. These purchases, being confined to the surplus left from the old crop, had no material effect on the prices of the new crop, but they served the important purpose of reconciling to some extent the divergent points of view of the Government and mills and thus paved the way for the minimum prices agreement of July 1940. The need for minimum prices was at that time felt by the hessian market also which was burdened with excessive stocks and the cost of financing these stocks was straining the resources of dealers. Under the agreement of July 1940, it was stipulated that the Committee of the Indian Jute Mills Association should recommend to its members that they should pay certain minimum rates for jute and should not sell finished goods below certain mini-

mum rates. The agreement was to last for six months during which period the Government agreed to refrain from making open market purchases of raw jute. An important criticism directed against this agreement was that the minimum prices fixed by it were considerably above economic levels and were likely to discourage the consumption of jute goods. The criticism was borne out by later events, as the continued depression in the jute manufactures market made it difficult for mills to adhere to the agreement and there were reports of large scale evasion. In any case, there was no obligation on mills to buy any definite quantity of the raw material even when they paid the minimum prices fixed under the agreement. Matters thus continued to drift and successive months from June to September saw no improvement in the prospects of either raw or manufactured jute. Shipments of jute manufactures continued to be disappointing owing to scarcity of freight. In order to help dealers who were burdened with excessive stocks of certain varieties such as 9 porters, the mills refrained from selling such varieties and also re-purchased large quantities from dealers. Stocks with mills also showed a disconcerting increase. The Indian Jute Mills Association, therefore, decided to curtail working hours from 54 to 45 per week with effect from the 19th August. It was thought that as roughly one-sixth of the total loomage of the Association was engaged on the manufacture of sandbags, the reduction of hours by one-sixth would be sufficient to counteract the disappearance of the sandbag orders. Actually, the recession in the jute manufactures market continued unabated and the Indian Jute Mills Association had to contemplate further measures for dealing with the situation. It was proposed, for example, that the mills should form a common pool, limited to R60 lakhs, for re-purchasing the stocks of 9 porters from the market. The 9 porter was the leading speculative counter in the jute manufactures market and an increase in its stocks exerted a disproportionate effect on market psychology. The proposal, however, did not materialise for want of unanimous support. Instead, the Association decided to curtail output further by closing down for one week in every four during September, October and November. This arrangement was extended in December 1940 and January 1941. These drastic measures of restriction which the industry was forced to take during this period provide a measure of the magnitude of the crisis which was then facing the industry. They had the desired effect and from September onwards, the stock position showed a rapid improvement. By the beginning of 1941, stocks with mills were already reduced to reasonable proportions and there were signs that the depression had run its course. With few interruptions, prices of jute manufactures maintained a steady upward movement from the middle of September 1940 to the end of the financial year and recorded an average gain of 36 per cent during that period. Towards the close of the year a stage was reached when there was actually a shortage of ready goods in place of the excessive accumulation which was witnessed in the earlier period. Speculation was again active and with the knowledge that consumption in important markets like U. S. A. was increasing and that the Calcutta market was not in a position to meet sudden increases in demand, prices of jute manufactures were pushed up to the boom levels witnessed in the first few months of the war. In February 1941, the mills abandoned the arrangement for closing down for one week in a month. Thus, the close of the year saw the jute mill industry again in a buoyant mood, its optimism

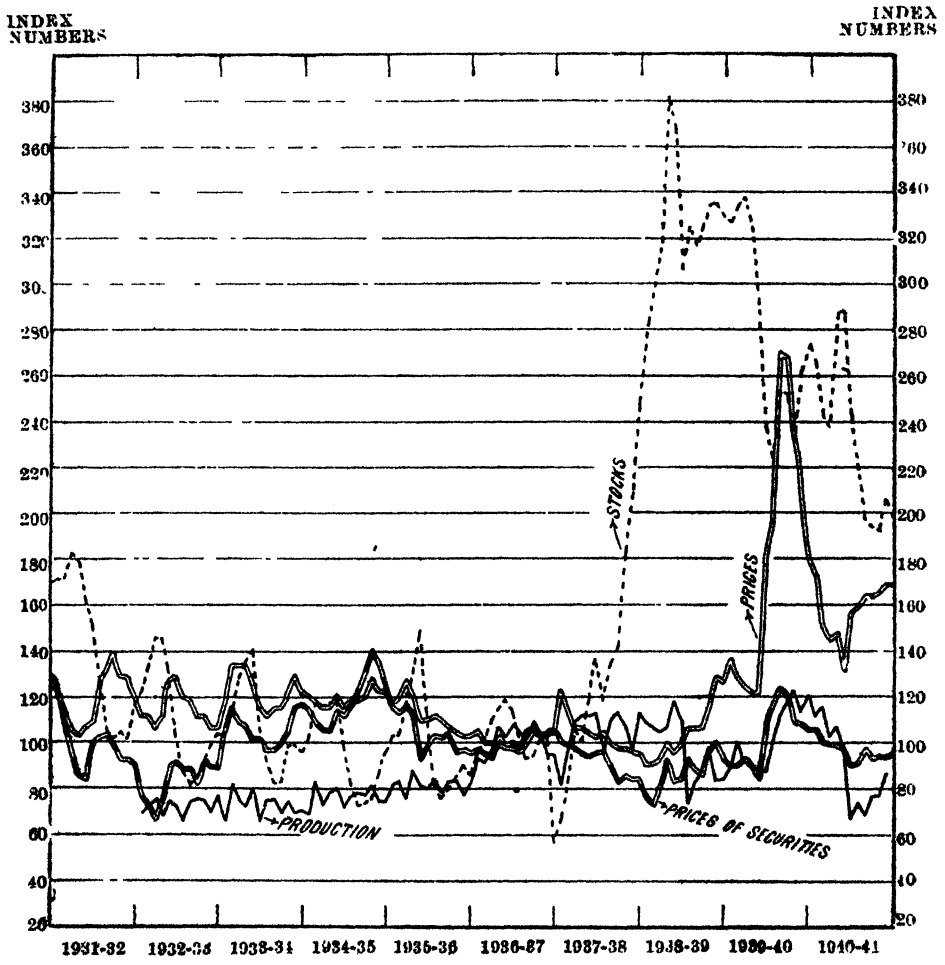
being encouraged by a few Government orders which had been received in November 1940 and January and March 1941. The improvement was also helped by the relatively stable conditions prevailing in the raw jute market as a combined result of the announcement by the Government of Bengal of their decision to restrict the acreage under jute by two-thirds and the agreement concluded in December 1940 between the Government and jute mills whereby the jute growers were assured of a minimum demand for their crop. In short, restriction was the keynote of the jute situation during the year under review and it was restriction which helped the industry to smoothen out the effects of the rather rapid alternations of booms and recessions which have been described above.

The following Chart which depicts the trend of production, prices, stocks and shares shows the way in which the fortunes of the jute mill industry have fluctuated in the last two years.

CHART VIII.

Jute Manufactures

[Base : 1936-37=100.]



General.

As a result of the severe restrictions which the industry voluntarily imposed on itself, the output of jute manufactures was reduced to 1,109,000 tons in the year under review as compared with 1,277,000 tons in the preceding year. It will be seen from the above Chart that these restrictions were fully justified by the high level of stocks in the early part of the year. From September 1940, stocks began to be reduced and continued their downward trend till February 1941 when a small seasonal increase was noticed. The relatively stable conditions which then prevailed in the industry were reflected in the sharp upward trend of the prices of jute manufactures which started in September 1940 and continued up to the end of the year. The prices of jute mill shares followed a more or less parallel trend and the relative index number (1936-37=100) after falling continuously from 106 to 90 in September recovered sharply to 97 in November and though it fell to 93 in the following month. it again rose to 95 in March 1941, thus indicating the renewed confidence of the market regarding the prospects of the jute mill industry. The extent to which the actual earnings of the industry were affected by the developments of the last few years is shown by the figures given in the table below :

Jute Mill Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index (Base, 1928=100)
1928	47	7,69,30	..	100·0
1929	47	6,58,17	7,69,30	85·6
1930	47	2,91,50	6,58,17	37·9
1931	49	68,60	2,99,90	8·7
1932	50	1,02,84	70,49	12·6
1933	52	1,61,92	1,03,66	19·8
1934	53	2,86,70	1,64,71	34·4
1935	53	3,31,99	2,86,70	39·8
1936	53	2,15,70	3,31,99	25·9
1937	56	94,57	2,19,62	11·1
1938	59	—84,14	94,91	—9·8
1939	55	1,13,62	—73,21	13·5
1940	51	3,78,22	1,30,31	44·3

In 1938, the balance sheets of fifty-nine companies disclosed a total loss of R84 lakhs as against a profit of R95 lakhs declared by the same companies in the preceding year. The index number for that year was thus a *minus* figure, being *minus* ten. In 1939, the position changed completely. In that year, 55 companies were able to declare a profit of R1,14 lakhs as against a loss of R73 lakhs in 1938. In 1940, the profits showed a further improvement, the reason being that they were mostly earned during the period when the industry had not yet begun to feel the after-effects of the speculative boom of 1939-40. The index number for 1940 worked out to 44, the profits declared by 51 companies being nearly three times as high as those declared by the same companies in the preceding year. The figure for 1940 may undergo slight revision when the balance sheets of all companies are available, but it is clear that in spite of the various vicissitudes that it had to pass through, the industry has managed to earn satisfactory profits during the last two years.

General.

Tea.—Tea has proved to be a war-time necessity. It is perhaps an inevitable characteristic of the unnatural mode of living and working in war-time, when the population is subjected to an enormous amount of strain and fatigue, that a nation's requirements of a cheap beverage like tea should increase in an even larger measure than those for some of the essential articles of food. In the United Kingdom the consumption of tea was reported to have steadily increased since the outbreak of war, particularly after the prolongation of hours of work and the intensification of enemy air raids. The tremendous expansion of armed forces for whom tea is an obvious necessity further increased the demand for tea. Even in peace time, the United Kingdom is an important market for this commodity being responsible for absorption of nearly one-half of the world's total exports, and hence an increase in consumption in that country has a vital influence on the world demand for tea. In certain countries also, like Australia and the United States, imports of tea assumed a marked upward tendency during the period under review. During the year ending June 1940 the United States imported 102·5 million lbs. as compared with 80 million lbs. in the preceding twelve months. In India, consumption of tea has shown a more or less continuous increase since 1930-31, consumption in 1940-41 being estimated at 106 million lbs. as compared with 82 million lbs. in 1939-40 and 38 million lbs. in 1930-31. It was this increase in consumption in markets which are still open to trade that enabled the world's tea industry to overcome to a considerable extent the adverse effects of the loss of trade with Continental Europe and North Africa. Moreover, the industry was in a position to take advantage of these favourable trends, because it was already organised on an international scale under the Restriction Scheme of 1933. Under that scheme, both production and exports in the principal tea producing countries are regulated from time to time with due regard to the export demand and the needs of internal consumption. The possibility of any serious glut or surplus being thus avoided, prices of tea suffered less violent fluctuations than those which characterised many other commodities during the year under review.

The Indian tea industry reaped the full benefit of the situation described above. The loss of Continental markets had comparatively little effect on the demand for Indian tea because in normal times only a small fraction of India's total exports of this commodity were consigned to those markets. The position of Indian tea is thus different from that of coffee which had a large market in Continental Europe. In the last pre-war year, 1938-39, only one per cent of the total shipments of tea from India were consigned to Continental countries. Besides, for the bulk of her export surplus, India had an assured demand from the United Kingdom, her largest export market, under the contracts concluded with the Ministry of Food. It will be recalled that since the 5th September 1939 when the British Ministry of Food assumed powers for requisitioning all stocks of tea held in the country, the entire tea trade of the United Kingdom has been under the control of that body. In order to procure the necessary supply, the Ministry of Food first entered into short-term arrangements for the remaining months of 1939 which covered 85 per cent of the export quota at the credit of individual estates as at the 15th September 1939, together with a similar percentage of any subsequent allotments. These arrangements were later replaced by what was known as

the "Long-Term Contract". In making these arrangements due allowance was made for re-export from the United Kingdom to neutral countries and for the direct export trade of the producing countries of the British Empire with non-belligerent consuming countries. The interests of the Empire's direct export trade in tea were thus duly safeguarded. In the case of India, the Ministry of Food contracted to purchase 323 million lbs. which included 30 million lbs. for re-export from the United Kingdom to out-markets. The balance of the exportable surplus was to be exported directly from India to out-markets. The allocation between tea estates of the quantity covered by the contract was done by the Indian Tea Licensing Committee which was presided over by the Tea Controller for India. The price was fixed on the basis of the average price realized during the three years immediately prior to the war, *plus* one penny per pound to cover additional cost of production due to war conditions. The assurance that a large portion of the exportable surplus would be bought by the United Kingdom for the duration of the war created a feeling of confidence among the tea producers. In July 1940, however, when the Continental markets were virtually closed owing to the British blockade, it was feared that a large part of the exports from other tea-producing countries would be rendered surplus and would depress prices. It was estimated that in normal times these markets consumed about 80 million lbs. of tea. The International Tea Restriction Committee, however, took prompt action and announced a reduction in the export quota for the year ending 31st March 1941, from 95 per cent of standard exports fixed in February 1940 to 90 per cent. The requirements of the British Government were, however, not affected by this reduction in the quota release. Simultaneously, an Ordinance was issued authorising the Government of India to alter the Indian export allotment at any time during the financial year. Under this Ordinance, the export allotment for 1940-41 was fixed at 344,918,624 lbs. being 90 per cent of India's standard exports. The reduction in the export quota had a stimulating effect on the markets as it was thought that some estates might be unable to deliver the full quantity of tea for which they had contracted. On the 22nd July, the British Government introduced new rationing restrictions which involved a reduction of about 25 per cent of an average man's consumption of tea. The reduction was not due to any shortage of tea, but to the Government's desire to economise freight. In spite of the reduction, however, the need for laying up adequate stocks led the Ministry of Food in the same month to contract for 40 million lbs. of the Netherlands East Indies tea which was so far left out of the British control scheme. It was soon discovered that in view of the increased requirements of U. K., U. S. A. and other countries, the maintenance of the export quota at 90 per cent would result in a severe curtailment of the available supplies and the International Tea Committee, therefore, decided to raise the quota to 92½ per cent from October 1940. This involved a revision of the export allotment of India for 1940-41 to 354,499,697 lbs. It has been stated by trade interests that unlike many other staple products of India, the difficulties of the Indian tea industry did not arise out of any lack of demand but out of the increased demand from the United Kingdom which made it difficult to meet the requirements of the out-markets. These latter have also tended to increase since the outbreak of war. But for the increase in the export quota in October 1940, there was a danger of some of the important out-markets being permanently lost to

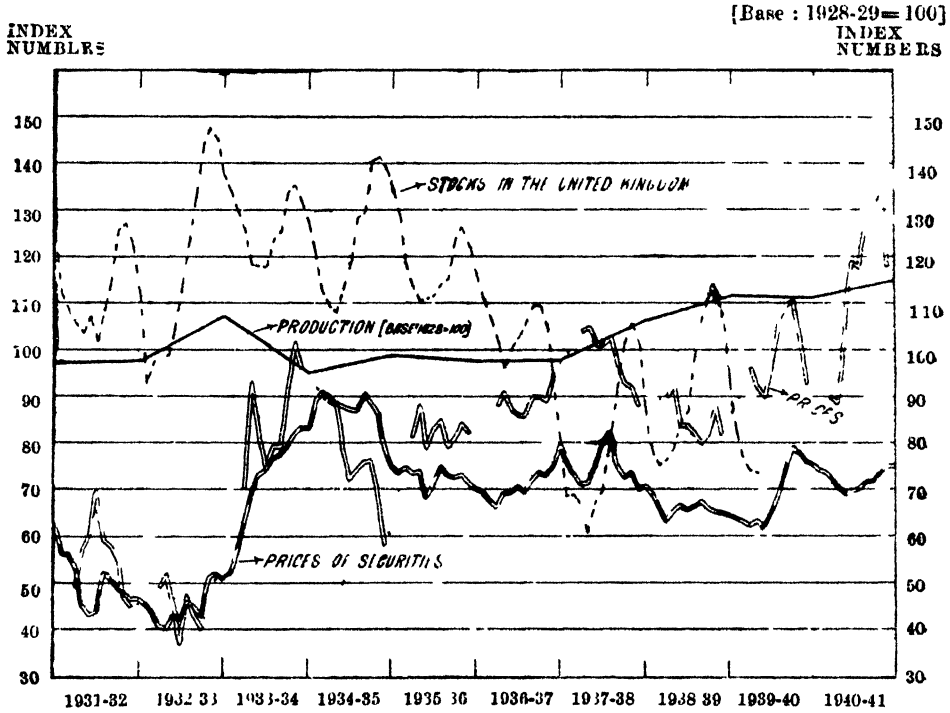
India. India could not increase her production to meet the additional export demand because under the International Tea Agreement, no one signatory can increase its output independently of others. It has been announced that the Ministry of Food will have a long-term contract for 1941 also similar to the one for 1940. It is expected that the contract will provide for the purchase by the Ministry of 283 million lbs. of tea from India, of which 231 million lbs. will be supplied by the estates in Northern India and 49 million lbs. will be supplied by those in Southern India. As in 1940, an additional 1*d.* per pound will be added to the basic price to cover the rise in costs of production. The export quota for 1941-42 has been fixed at 110 per cent of the standard exports. The internal quota was kept unchanged at 15 per cent of the Best Crop basis for both 1940-41 and 1941-42.

The following chart shows the production and prices of tea and the prices of shares of tea companies :—

CHART IX.

Tea.

[Base : 1928-29 = 100]



In response to rising demand, the production of tea in India has increased steadily since 1936. In that year it amounted to 395 million lbs., but by 1939, it had increased to 452 million lbs In 1940, it amounted to 463 million lbs. The trend of prices also was very satisfactory, except in the first few months of the season. In the first sale, Common Tea for export was quoted at As. 8-6 per lb., 9 pies to 1 anna lower than the final quotation of the previous season, and in the second sale the price fell to As. 7-6 to As. 7-9 per lb After the announcement of the reduction of the export quota for 1940-41 from 95 to 90 per cent in July 1940, export sales were suspended for sometime (from

2nd July to 12th August). When the sales were resumed, the stimulating effect of the reduction in quota was apparent and common teas were sold at as high a rate as As. 10-6 per lb. Thereafter, prices continued to rise and the upward trend was maintained more or less up to the end of January 1941. The rise was interrupted once in October 1940, when the announcement of the increase of 2½ per cent in the quota caused a set-back in prices. The set-back proved temporary and as a result of the keen demand from out-markets, the price recovered to As. 14-6 ps. in November, As. 14-7 ps. in December and As. 15-7 ps. in January. There was a reaction at the close of the season which brought down the quotation to As. 13-6 ps. but the average quotation for the whole season worked out to As. 13, showing a gain of 15 per cent over the average quotation for the preceding season. The rise in prices, combined with higher output, indicated a healthy outlook for the industry and this was reflected in a steady appreciation of share values during the latter half of the year under review. During the first five months of the year, April to August 1940, the prices of tea shares followed those of tea in their downward trend, the relative index number (1928-29=100) falling to 69·1 in August as compared with 75·8 in March 1940. Thereafter, the shares were in better demand and the index rose continuously month by month and stood at 75·2 in March 1941 which was only slightly lower than in March 1940. On the whole, the tea industry enjoyed satisfactory trading conditions during 1940-41. The extent to which the actual earnings of the industry were influenced by war conditions would, however be known only when the profit figures for 1940 and 1941 are available. Unfortunately, the profit figures for a sufficiently large number of companies are not yet available even for 1940 and hence the chain index for that year could not be worked out. The following table gives the profits of the tea industry with their chain index from 1928 to 1939 :

Tea Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	130	98,85	..	100·0
1929	130	59,15	98,85	59·8
1930	130	14,75	59,15	14·9
1931	131	—19,09	14,37	--19·8
1932	132	—1,02	—19,00	—1·1
1933	133	99,70	—1,13	93·9
1934	134	53,55	1,00,21	50·2
1935	135	68,38	54,07	63·5
1936	132	76,00	68,10	70·8
1937	130	1,16,15	75,87	108·4
1938	127	78,79	1,15,58	73·9
1939	127	99,61	78,79	93·4
1940*	..	..	..	..

* Figures not available

In recent years, the industry was able to declare the highest profits in 1937, but this prosperity was not maintained for more than a year and in 1938, the chain index fell from 108 to 73 or approximately by 32 per cent.

General.

The tide turned again and in 1939 the profits declared by the industry were 27 per cent higher than in the preceding year. There is reason to believe that the industry's earnings were maintained at a satisfactory level in the next two years also.

Coal.—With the acceleration of industrial activity and a good demand from export markets, the coal industry of India enjoyed satisfactory trading conditions during the major part of the year under review. The prices of coal in India were a conspicuous exception to the generally rising trend of industrial prices since the outbreak of war. At the beginning of 1940, prices of coal were raised by 4 annas per ton to cover increases in costs of production, but although costs continued to rise in subsequent months, no further rise in the price of coal was possible owing to internal competition. An inadequate appreciation of the improved prospects of the coal industry and the consequent lack of confidence on the part of colliery owners were mainly responsible for the severity of internal competition. Among the factors which mainly increased the costs of production of the industry since the outbreak of war mention may be made of the rising prices of colliery stores and equipment, the war allowance of 10 per cent granted to workers to cover increases in cost of living and the excise duty of 2 annas per ton on coal and soft coke and 3 annas per ton on hard coke imposed from the 1st December 1939 under the Coal Mines Safety (Stowing) Act, 1939. This rising trend of costs combined with almost stationary prices resulted in a narrowing of the industry's profit margin. The labour situation presented another serious obstacle to the smooth progress of the industry. A number of labour disputes were reported from the Jharia coalfields and at one time a general strike was threatened. The situation would have been very serious but for the stern action taken by the Bihar Government. In spite of these adverse trends, however, the improvement in internal demand and the growing opportunities for export trade created, on the whole, a favourable situation for the coal industry. The following table shows the profit figures for the industry for the last thirteen years :—

Coal Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	58	80,47	..	100·0
1929	58	79,16	80,47	98·4
1930	58	98,24	79,16	122·1
1931	62	77,16	1,03,33	91·2
1932	63	63,59	77,25	75·0
1933	64	50,98	63,45	60·3
1934	64	50,48	50,98	59·7
1935	62	54,29	50,79	63·8
1936	61	53,05	54,16	62·5
1937	56	60,71	52,88	71·8
1938	54	1,22,77	61,86	142·4
1939	55	1,18,94	1,21,58	139·3
1940	23	51,44	50,63	141·5

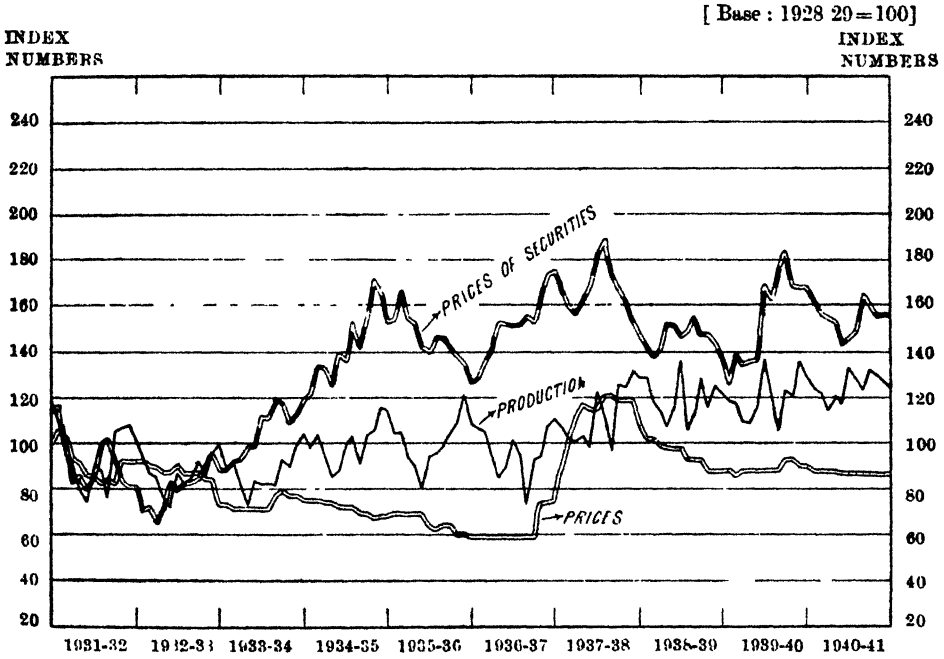
General.

In recent years, 1937-38 was one of the peak periods for the coal industry, the profits earned in that year being then the highest on record for more than ten years. The increase in the demand for coal was not fully maintained in the following year, and yet the profits declared in 1939 were higher than in any year other than 1938. Complete figures for 1940 are not yet available, but the accounts of 23 companies which are published show slightly higher profits in 1940 than in 1939. These profits were, however, earned mainly in the latter half of 1939 and in the early part of 1940 and do not, therefore, fully reflect the results of the industry's working in the period under review. The trends of production and prices of coal and prices of coal shares which are shown in the Chart below provide a better indication of the position of the coal industry in 1940-41 :—

CHART X.

Coal.

[Base : 1928 29=100]



The average annual production of coal in India over the decade ending 1936 was 22 million tons, output rising steeply in 1937 to 25 million tons, in 1938 and 1939 to 28 million tons and in 1940 to 29 million tons. The increased rate of output, though justified by war-time demand, is far in excess of the country's normal requirements and it is feared that unless the general industrial activity remains at the present level even after the war, the industry may easily be faced with the problem of over-production. During the year under review, the effect of the increased output was felt mainly in respect of the prices of coal which, while ruling firm, showed no material improvement as compared with the pre-war level. The rates tendered to the railways in 1940 showed an improvement of 4 annas to 6 annas per ton as compared with 1939. As regards the prices of coal shares they were mainly influenced by the fact that the high expectations entertained earlier about the prospects of the coal

industry were not fully justified by later events. This sense of disappointment was reflected in the steady deterioration of share values from January to August 1940. During that period, the index number relating to the prices of coal shares (1928-29=100) declined from 169 to 143. From September, the knowledge of a general improvement in demand brought about a recovery in share prices, the index rising to 164 in November. Thereafter, there was a noticeable fall in the demand for coal which was later aggravated by the shortage of wagons and it was feared that the resulting accumulation of stocks and the short-time working adopted in some collieries would have an adverse effect on the earnings of the industry. The index number of share prices, therefore, declined to 155 in March 1941. The average index for the whole year worked out to 154 which, though slightly lower than in 1939-40, was still considerably higher than in 1938-39. It must be added that the fall in share values since January 1940 was partly due to the after-effects of the unhealthy speculative boom which had developed in the first four months of the war and to the influence of the political situation and does not, therefore, necessarily indicate a deterioration in the intrinsic position of the industry.

The railway surcharge on coal, coke and patent fuel was increased from 15 to 20 per cent from November 1940 to March 1941. Apart from the additional revenue which it was expected to yield, an important object of the increase in the surcharge was to encourage consumers to lay in stocks during the months April to October to cover their requirements up to March, thus easing the wagon position in months in which the traffic congestion is at its height. In spite of the additional surcharge, however, the shortage of wagons continued to be felt in the busy months. During the three months, December 1940 to February 1941, there was a comparatively quicker turnround of wagons owing to the efforts of the *ad hoc* Committees appointed to deal with this question and this eased the position to some extent. The position, however, again became acute for a few weeks after February.

The Coal Mines Stowing Board to which a reference was made in the last year's Review continued its activities during the year under review. Several protective works were undertaken in the fire areas at Jharia and these resulted in a considerable improvement in the conditions of work underground. The Board also framed rules for the grant of assistance towards sand stowing operations These involved expenditure under the following headings: (i) Compulsory stowing, (ii) Protective works undertaken by the Board, (iii) Purchase of stowing plant to be given out on loan, (iv) Loans for the purchase of stowing plant, (v) Voluntary stowing, (vi) Research connected with safety in mines. The controversy as to whether the Board should give assistance for voluntary stowing continued. It was argued that most of the concerns which undertook stowing voluntarily did so out of economic considerations and that most of them worked superior grades of coal which commanded remunerative prices and left ample margin of profit even after meeting the cost of stowing. It was, therefore, urged that assistance from the Stowing Fund should be confined to those cases in which collieries were ordered to stow in the interests of safety. It was, however, obviously difficult to distinguish between cases in which stowing was undertaken for economic considerations and those in which it was required for purposes of safety.

General.

As regards the future outlook of the coal industry, much depends on the manner in which it solves its problem of internal organization. As has been pointed out above, the industry was unable to reap the full benefit of the opportunities created by the war, mainly because of its defective organization. The leaders of the industry have repeatedly stressed the need for a central control over prices and output especially in view of the fact that the present rate of production is far in excess of the country's pre-war requirements, but very little progress has so far been done towards that end. The question has, however, not escaped the attention of the Government of Bihar as is seen from the appointment of the Coal Industry Reorganization Committee whose report is now under consideration of that Government.

Iron and Steel.—The iron and steel industry all over the world was kept feverishly active throughout the period under review. The industry was already in a state of boom at the time when the war broke out as a result of the tremendous armament drive which was then proceeding in European countries. The progress of the war further intensified the demand for iron and steel, while important sources of supply like Belgium and Luxemberg were cut off from the rest of the world by German occupation. Both in the United Kingdom and the U. S. A. the output of iron and steel was said to have eclipsed all earlier records. In the United Kingdom production was speeded up under Government direction, hours of work were increased and supplies for non-essential needs were strictly limited. The American steel industry was equally active, having to meet a growing volume of orders from abroad and the requirements of the huge defence programme planned by the United States Administration. The Indian iron and steel industry fully participated in this world boom. Production maintained its rising trend and the output of both pig iron and finished steel attained an all-time record. In December 1940, the Government of India decided to control the imports of iron and steel and issued a notification prohibiting the imports of various types of iron and steel, such as ingots, plates, sheets, tin plates, shell sheets, steel tubes and pipes, hoops, tyres, etc., except under licence. The object was to ensure that unreasonable demands involving an avoidable wastage of dollar exchange were not made and that essential needs received full consideration. A Steel Controller was appointed and was made responsible for collecting and placing orders through the British Purchasing Mission on behalf of Government Departments and Railways and of those private firms which wished to benefit by the contracts placed with the American industry by the British Ministry of Supply. The effect of all these developments was to aggravate the stringency in the Indian market and prices of finished steel went up appreciably in the last quarter of 1940-41. The Indian industry was called upon to meet a larger proportion of the home requirements than ever before.

In the case of the iron and steel industry, prices of shares do not always provide a reliable index of the intrinsic position of the industry, being extremely sensitive to changes in market psychology. After the debacle of January 1940 when there was a crash in the share markets owing to a combination of adverse circumstances, the index relating to steel shares (1928-29 =100) fell from 562 to 490, but soon recovered to 515 in March 1940. As a result of the nervousness created by the war situation in the first few months

of the year under review, the index fell from 544 in April to 335 in July. The renewed confidence about the political outlook brought about a recovery in subsequent months and the index rose month by month till it stood at 482 in November 1940. There was a set-back in the next two months in sympathy with the general recession in share values but with the sudden rise in steel prices which took place in the last two months of the year, prices of steel shares also improved and the index stood at 500 at the end of the year. The average index for the year worked out to 450 as compared with 429 for the preceding year. The general trend of share prices was thus in keeping with the intrinsic position of the industry, though the day-to day fluctuations were hardly governed by any rational estimates of the profit-earning capacity of the industry.

The following table gives the profit figures for the iron and steel industry since 1928 :—

Iron and Steel Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base, 1928=100]
1928	2	1,44,55	..	100·0
1929	2	26,86	1,44,55	18·6
1930	2	1,02,04	26,86	70·6
1931	2	1,12,77	1,02,04	78·0
1932	2	95,76	1,12,77	66·2
1933	2	1,30,50	95,76	90 3
1934	2	2,44,65	1,30,50	169·2
1935	2	2,78,80	2,44,65	192·9
1936	2	2,58,72	2,78,80	179·0
1937	3	3,12,06	2,63,94	211·6
1938	3	4,67,03	3,12,06	316·7
1939	3	4,30,10	4,67,03	291·7
1940	3	4,42,53	4,30,10	300·1

Profits declared in 1940 were higher than those declared in any recent year other than 1938. The temporary boom of 1937-38 resulted in a very substantial increase in the earnings of the iron and steel industry and this accounts for the high profits declared in 1938. The profit index for that year amounted to 317, or more than three times the level of 1928. In the following year, the condition of the industry continued to be satisfactory, but it was less buoyant than in 1937-38 and hence the index fell to 292 in 1939. Profits declared in 1940 relate mainly to the working of the industry

in 1939-40 and do not reflect the full impact of the developments in the year under review. Nevertheless, the figures given in the table above provide a clear indication of the remarkable improvement in the position of the iron and steel industry in recent years.

Sugar Industry.—The position of the sugar industry during the year under review became the subject of acute controversies. During the early part of the 1939-40 season, prices of sugar continued to be quoted at the high level attained in the latter half of the 1938-39 season, in spite of the fact that production in 1939-40 was expected to be considerably higher than the abnormally low output of the preceding season. The high prices were probably based on expectations of a big war demand. But these expectations did not materialise, and with a growing gap between output and consumption, stocks began to accumulate at the factories. The industry thus came into difficulties and a crisis developed which necessitated Government intervention. It was decided to solve the problem of surplus stocks by, *inter alia*, restricting the output of sugar in the 1940-41 season, but this naturally had its repercussions on the position of the cane-growers, as a large part of the cane crop already grown by them had no demand from the factories. The Governments of the United Provinces and Bihar, therefore, took steps to alleviate the situation by encouraging the manufacture of *gur* and also by evolving a scheme for the payment of compensation to cane-growers.

In U. P. and Bihar, the marketing of sugar was under the control of the Indian Sugar Syndicate the membership of which was made compulsory for all the mills under the Sugar Factories Control Rules of those Provinces. In the early part of 1939-40, the Syndicate exercised this control in such a way as to maintain the prices of sugar at an abnormally high level and this in spite of the fact that the industry in these Provinces was expected to produce a record output. The production of sugar directly from cane in the whole of India in the 1939-40 season amounted to 1,241,700 tons as compared with only 650,800 tons in the previous season. The season 1938-39 was a bad season for the cane crop and the production was much below the normal. The increase in production in 1939-40 was partly due to the abundant crop which was produced in that season and to the fact that a large proportion of the crop was diverted to the factories owing to the high minimum prices fixed for cane. Demand, on the other hand, was poor and hence the increase in production merely resulted in an accumulation of unsold stocks at the factories. A reduction in prices might have perhaps helped to stimulate consumption, but for a considerable length of time the Syndicate adhered to its basic price of R12 per maund and the member mills had no power to sell sugar at a lower rate than that fixed by the Syndicate under the latter's Articles of Association. So affairs continued to drift until in April 1940 the U. P. and Bihar Governments agreed to reduce the minimum price for cane to 5 as. 9 ps. (factory-gate delivery) and the Syndicate, consequently, reduced the basic price of sugar produced on or after the 11th April to R8-10-0 per maund (for Nawabganj Sugar D-24). In the same month, the Syndicate took several important steps to cope with the situation. It decided to assume direct sales of sugar, gave a rebate for

a short period on sugar delivered at the ports (with a view to meet the competition of Java sugar) and offered to sell 2 lakhs tons of sugar for export purposes at a heavily reduced price. None of these measures, however, succeeded in checking the rot. The negotiations with His Majesty's Government for the sale of sugar at a reduced price did not materialise, as the Syndicate soon discovered that a large majority of its member mills were in no position to bear the financial sacrifice involved. The continued accumulation of unsold stocks with the resultant increase in insurance, interest and warehousing charges and deterioration in storage, placed a heavy financial strain on the factories. The Governments of the United Provinces and Bihar considered the whole question and came to the conclusion that the situation was largely due to the Syndicate's policy of keeping up prices at an artificial level. They, therefore, decided to withdraw their recognition from the Syndicate. Accordingly in June 1940, both the Governments rescinded Rule II (2) (*a*) of the Sugar Factories Control Rules whereby all sugar mills were required to be members of the Syndicate before they could obtain the crushing licence. This sudden removal of centralised control over the marketing of sugar only served to precipitate the crisis and for a time a state of panic reigned in the sugar markets. Although a large number of mills continued to be voluntary members of the Syndicate, the markets still remained in a state of uncertainty regarding its future selling policy and the knowledge that there was a sharp cleavage of opinion among the members of the Syndicate itself further increased the nervousness of the markets. The Syndicate's limits were almost completely disregarded and some of the weaker mills which were burdened with excessive stocks resorted to drastic price-cutting. Thus, the sugar market which had enjoyed relatively stable conditions for three years owing to the control exercised by the Syndicate witnessed a most chaotic state of affairs.

In the midst of this crisis, a Conference was held at Allahabad in July 1940 between the representatives of sugar interests and those of the Provincial Governments and it was this Conference which marked a turning point in the affairs of the sugar industry. The industry agreed voluntarily to submit itself to a larger measure of Government control and on this condition the Provincial Governments decided to restore their recognition to the Syndicate. The two Governments appointed a Sugar Commission which was made the final authority, subject to Government control, on all matters connected with the production and sale of sugar, as well as other matters regarding cane prices etc., which would be referred to it by the two Provincial Governments. In order to help the industry to clear its stocks by reducing prices, the two Governments decided, with effect from the 25th August 1940, to assume immediate responsibility for payment to the Government of India of one rupee of the excise duty payable on each maund of sugar manufactured during the previous season and still unsold. With effect from the 25th August 1940, the Syndicate fixed the maximum *ex*-factory selling price of sugar manufactured during the 1939-40 season at R8-10-0 per maund and at R8-12-0 per maund from the 1st November 1940. These decisions helped a great deal to restore the confidence of the markets, and in the closing months of the 1939-40 season, sales of sugar showed a welcome improvement. These developments, however, took place too late in the season to have any

material effect on the stock position. When the season 1940-41 opened, the quantity of sugar in stock with the factories was estimated to be between 3½ and 4 lakhs tons. The Governments of U. P. and Bihar, therefore, decided to take action under the powers given to them by the Sugar Factories Control Act to restrict the production of sugar in the two provinces by means of a system of quotas. Crushing quotas were allotted to factories on the basis of a total sugar output for the two Provinces of 7·2 lakhs tons, and the duration of the crushing season was estimated to cover 97 days on an average. It was estimated that this production would leave the industry with stocks not exceeding four lakhs tons at the beginning of the season 1941-42. The restriction in output naturally increased the manufacturing costs of sugar. Besides, the two Governments imposed a special cess of six pies per maund on cane in order to repay the money due to the Government of India in respect of the rebate in the excise duty. In spite of this increase in manufacturing costs, however, the two Governments decided to keep the price of sugar in the region of R9 per maund, thereby cutting the manufacturers' profit margin to the minimum. It was also decided to fix the price of cane at 4 as. 6 ps. per maund, to reduce the ordinary cane cess from six pies to three pies per maund and to reduce as far as possible the co-operative societies' commission. It was stated that the intention was so to restrict the planting of cane as well as the production of sugar during that season that the closing stocks of sugar on the 1st November 1942 might not exceed 2 lakhs tons.

The decision to restrict the output of sugar in 1940-41 meant that a large proportion of the cane crop which had already matured was not required by the factories. Tempted by the high prices prevailing in the 1939-40 season, the cultivators had planted a larger acreage and the crop also had turned out to be unusually good. In several districts of the U. P. and Bihar, the growers were entirely dependent on factories for the disposal of their cane, as, with the expansion of the sugar industry, *gur*-making had become almost obsolete in those areas. Most of the cultivators had even sold off their *gur*-making plants as scrap-iron. In such areas, the inability of the mills to buy their normal quantity of cane meant that a large part of the crop had to be left simply to rot in the fields. The growers were, therefore, faced with a serious loss and a grave agrarian crisis threatened to develop in the two Provinces. Several suggestions were put forward to alleviate the distress among the growers, such as the manufacture of brown sugar, the manufacture of white sugar for stock and the reduction in the minimum price of cane. It was pointed out that the basic price of R9-2 per maund fixed by the Sugar Commission was too high to encourage consumption. The Provincial Governments were, therefore, urged to lower the minimum price for sugarcane from 4 annas 6 pies to 4 annas per maund, to remove the cess of 9 pies (3 pies ordinary cess and 6 pies excise rebate cess) per maund, to lower the co-operative society's commission by one-half, *i.e.*, to 1 pie and to withdraw all control except to the extent of fixing minimum prices for cane and ensuring their payment to the cultivator. It was assumed that if this was done, the factories would crush the utmost quantity of cane possible, as they would be able to sell the product at a much reduced price, that the reduced price would stimulate consumption and that the Government would recoup a part of their loss due to the removal of the excise rebate cess through a larger yield

of the excise duty resulting from increased consumption. These suggestions provoked heated controversies and were the subject of several conferences held in different parts of the U. P. and Bihar. It was pointed out that a removal of Government control would lead to a chaos in sugar markets. and that if the basic prices for sugar were reduced, it would result in such a heavy depreciation of existing stocks as might force a number of weaker factories to close down business, thus reacting adversely on the cultivators themselves. The Provincial Governments considered these suggestions but declared their unwillingness to accept them. Later in December 1940, however, a scheme was evolved for compensating to some extent the cane growers affected by the restriction of sugar production. Under this scheme, the cess on cane was increased by 3 pies per maund (from 9 pies to 12 pies) in the case of 34 factories in the eastern districts of the U. P. and all the 33 factories in Bihar. A corresponding reduction was made in the minimum cane price (from 4 as. 6 ps. to 4 as. 3 ps.) in five eastern districts of the U. P. and throughout Bihar. The proceeds of the additional cess were credited to a fund from which it was proposed to pay compensation to cane growers. The two Provincial Governments also fixed minimum selling prices for stocks held by factories of sugar produced in 1939-40. Under the auspices of the Gur Development Department in the United Provinces, much of the surplus cane was diverted towards the production of *gur*. These measures solved the problem of surplus cane to some extent.

About 147 cane sugar factories were reported to have worked during the season 1940-41. The estimated production of sugar is shown below.

Estimated production of sugar directly from cane in India during the season 1940-41.

—	1940-41 Tons.	1939-40 (Actual) Tons
United Provinces	513,300	659,500
Bihar	246,100	322,100
Rest of India	336,000	260,100
TOTAL	1,095,400	1,241,700

In the United Provinces and Bihar production was restricted by means of crushing quotas, quotas being allotted to factories on the basis of a total production for the two provinces of 7·2 lakhs tons, assuming the recovery to be 9·5 per cent. Owing to the restriction of crushing, factories confined crushing to the months of December, January, February and March, when cane was available in a state of full maturity. Consequently, the average recovery for the two provinces proved to be materially above 9·5 per cent; the average figure for the whole tract being as high as 9·87 per cent. Consequently the production amounted to 7·6 lakhs tons against the original estimate of 7·2 lakhs tons only.

The provinces other than the United Provinces and Bihar, have produced 3·36 lakhs tons in 1940-41, against the actual production of only 2·60 lakhs tons in 1939-40. Production in the United Provinces and Bihar, was

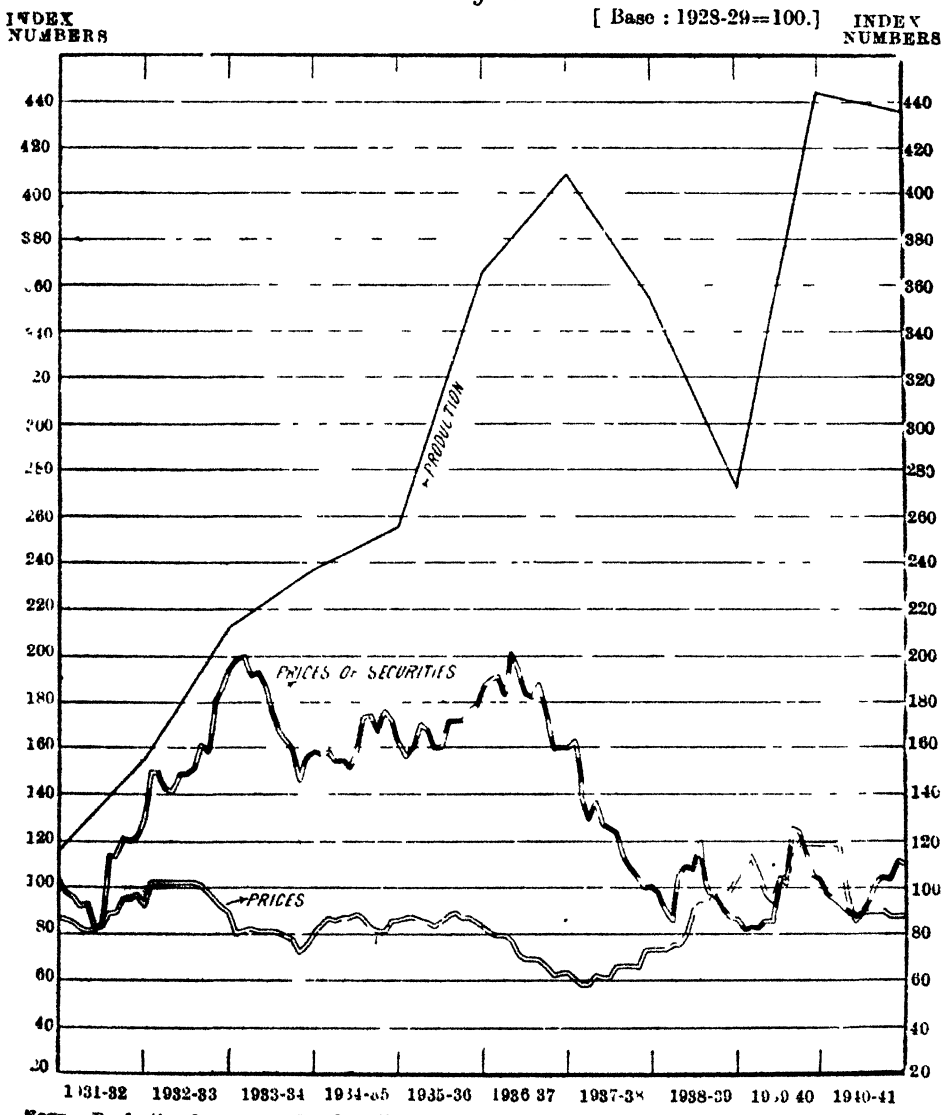
2·22 lakhs tons less than in 1939-40; but this was partly offset by the higher production in the remaining provinces so that the production for the whole of India was only 1·46 lakhs tons short of the production in 1939-40.

The production of sugar refined from *gur* is estimated at 46,000 tons and of *khandsari* sugar at about 200,000 tons. The total estimated production of sugar (all kinds) in India during the season 1940-41, was thus over 13·41 lakhs tons.

The following chart shows the trend of production and prices of sugar and prices of shares of sugar companies since 1931-32.

CHART XI.

Sugar.



NOTE.—Production figures are taken from the report of the Director, Imperial Institute of Sugar Technology.

General.

During the months of April, May and June, the average price of sugar remained above R12 per maund. The Syndicate no doubt reduced the basic price from April onwards, but the reduction was to apply only to the sugar produced on or after the 11th April while during these three months the market still carried heavy stocks of the sugar produced in the earlier period. In course of time, the Syndicate was forced to reconsider its policy as a result of the various developments which have been described above and the basic price was reduced by R2-8 per maund in June 1940 and further by as. 14 in the following August. The price of sugar remained fairly steady from September 1940 to March 1941, mainly because of the imposition of stricter control by the Governments of the U. P. and Bihar on the affairs of the industry. It will be seen from the above chart that the prices of sugar shares followed a more or less parallel trend. The relative index number (1928-29 =100) declined precipitously from 103·5 in March 1940 to 87·9 in August 1940 which shows the general lack of confidence regarding the outlook of the industry during this period. In August it was announced that the Provincial Governments had decided to take certain measures to deal with the problem of surplus sugar and though a feeling of anxiety still persisted in view of the adverse reactions of these measures on the agriculturists and the consequent agitation against them, the decision to effect a drastic cut in sugar production brought about a gradual revival of confidence. From September, the index number of share prices rose gradually, till it stood at 111 in February 1941. It slightly receded to 109 in March 1941, still remaining 12 points higher than at the beginning of 1940-41 and 6 points higher than in March 1940. It is difficult to say to what extent this appreciation of share values was justified by an actual increase in the profit-earning capacity of the industry. The latest available figures of profits declared by the industry are for 1940 and these relate to the working of the industry in the 1939-40 season. The figures are given in the following table :—

Sugar Industry.

Year	No. of companies	Profits (R000)	Profits, same companies, preceding year (R000)	Chain Index [Base : 1928=100]
1928	10	19,95	..	100·0
1929	10	15,88	19,95	79·6
1930	12	25,97	22,09	93·6
1931	12	40,11	25,97	144·5
1932	12	70,45	40,11	253·9
1933	12	70,54	70,45	254·2
1934	13	54,69	71,59	194·2
1935	20	56,62	69,71	157·7
1936	21	89,85	57,37	247·0
1937	26	50,06	1,01,14	122·3
1938	25	70,76	54,86	157·7
1939	20	63,84	51,27	196·4
1940	20	67,87	63,84	208·8

Profits declared during 1940 were nearly 7 per cent higher than in the preceding year, the chain index being 209 as compared with 196 in 1939.

General.

It would appear that in spite of the crisis which developed in the latter part of the 1939-40 season in the U. P. and Bihar, the high prices which prevailed during that season enabled the industry as a whole to earn fairly satisfactory profits.

The protective duty on sugar was due to expire on the 31st March 1941. In view of the fact, however, that the conditions in the sugar industry are far from stable, the Government of India decided not to set up a Tariff Board for examining the question of continuing the protective duty but decided to extend its operation for another year.

Cement.—The cement industry maintained a steady progress during the year under review. An increase in domestic consumption, development of export trade and above all the settlement between the Associated Cement Companies and the Dalmia group--these were the most important achievements of the industry during the year. After a long period of internecine warfare, the agreement between the two rival concerns restored at last the peace of the industry and removed one major obstacle in the way of its orderly progress. The combined productive capacity of the Associated Cement Companies, the Dalmia group and the Assam Bengal Company was estimated at over 28 lakhs of tons which was 17 per cent in excess of the actual sales of cement, and it was, therefore, easy to see that in the absence of a concerted plan in regard to production and sales, the pressure of surplus capacity might have kept the different producers perpetually at war with each other. The agreement in question embodied a scheme for setting up a joint selling organization under the existing Cement Marketing Company of India to conduct the entire sales of both concerns. Prices were to be fixed by the joint organization and the total sales were to be divided between the two concerns on an agreed formula. It was agreed that for the first five years, the Dalmia group should receive a smaller but gradually increasing percentage of their eventual quota. By this agreement the industry has taken another big step forward in that process of integration which has been mainly responsible in the past for its remarkable achievements in the sphere of technical efficiency.

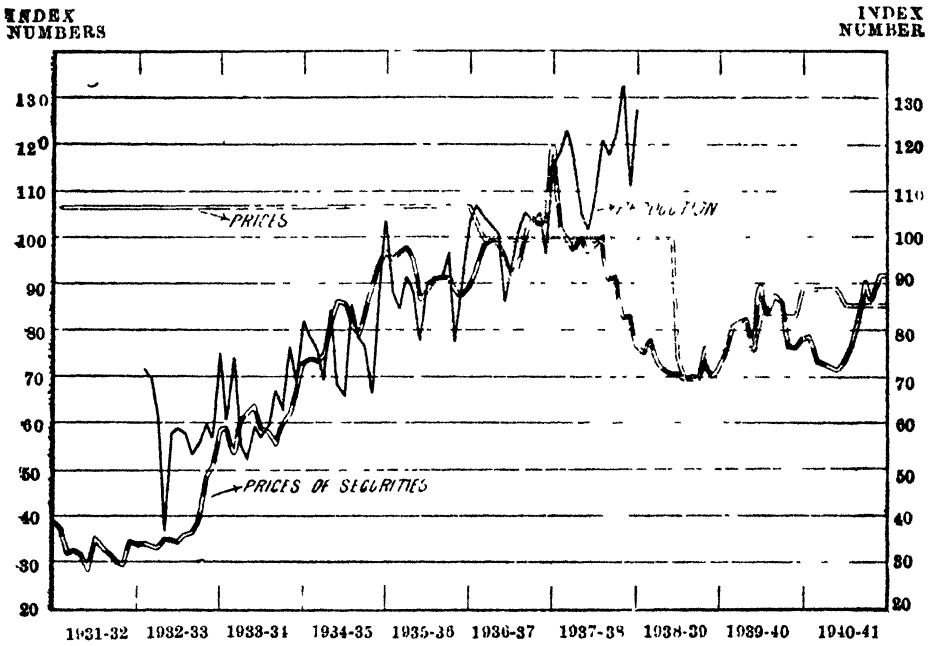
During the year under review, the demand for cement in India was subjected to opposite influences. On the one hand, building activity which had absorbed large quantities of cement for several years prior to the outbreak of war showed a declining tendency, especially in Bombay, as a result of the phenomenal rise in the costs of materials and increases in wage rates. Local authorities and other public bodies were also inclined for similar reasons to postpone their construction projects for the time being. On the other hand, the contraction in demand due to these factors was more than made up by the increased requirements of Government and industries. The Associated Cement Companies was reported to have secured a number of contracts from Government and Public Bodies, while the revival of industrial activity also led to general increase in consumption. The constant efforts of the Concrete Association of India by way of propaganda and practical demonstrations played an important part in popularising the use of cement in the country. The export demand, the prospects of which were only dimly visualised last year, showed a welcome expansion and it is reported that between the 1st September 1939 and the 31st December 1940, the Associated Cement Companies alone were able to export cement amounting to 100,000 tons to Iraq,

Ceylon, Dutch East Indies, Malaya and other markets. This is a development which is not merely unique in the history of the industry, but is of the utmost significance for its future in view of its heavy surplus capacity. In meeting this export demand, the extension of the Associated Cement Companies' factory at Okha proved of great help and the Company, therefore, decided to extend the factory further. Apart from this, no new works were taken in hand by the Company. The other available information about the position of the cement industry is shown in the chart below :—

CHART XIII.

Cement.

[Base : 1936-37=100.]



The price of cement showed generally a downward tendency during the year under review. In March 1940, the price of cement (Swastika Brand) was marked up from R36 to R38-8 per ton but a large part of this rise was due to the increase in railway freight which came into effect in that month. In spite of this increase, the price was still considerably below the level ruling before September 1938 when the rate war between the two rival companies began. As some of the new factories came into operation, it became impossible to keep prices at the enhanced level and the rate was reduced to R37 in September 1940. There was no further change till the close of the year. On the whole, between March 1940 and March 1941, the fall in prices amounted to 4 per cent. The average for the whole of the year 1940-41, however, showed a gain of 7 per cent over the average for the previous year. As said above, a part of this rise was accounted for by increases in costs of production, due to several special factors created by the war. The surcharge on railway freight, for example, not only enhanced the cost of transport, but

also raised the prices of all stores and coal which make up such a large proportion of the cost of cement manufacture. Moreover, the prices of raw materials as well as those of the articles required for packing purposes went up due to other causes. The factories had to carry larger stocks of stores and spares in view of the war conditions and this meant a further addition to their costs. To some extent the increase in costs was offset by the substantial savings accruing to the factories as a result of their forward purchases and economies in the manufacturing and selling expenses. The industry, however, may not be able always to keep down its costs by these means and it is feared that an increase in the price of cement may be inevitable sooner or later. The effects of all these factors on the profits of the industry cannot be gauged till the figures for the year ending 31st July 1941 are available. So far as the year ending 31st July 1940 was concerned, the profits seem to have been fully maintained as compared with the preceding year. The net profits of the Associated Cement Companies before providing for taxation and depreciation amounted to R83·79 lakhs in 1939-40 as compared with R82·02 lakhs for the previous year. The share markets were well aware of the improvement in the position of the industry and consequently cement shares continued to be in demand during the major part of the year under review. As has been pointed out before, the first five months of 1940-41 were characterised by a severe recession in share values and cement shares could not remain unaffected by the general trend. The relative index number (1936-37=100) consequently came down from 79 in April to 72 in August 1940. From September onwards, however, the market began to view the prospects of the industry with greater confidence and the index went up to 73 in that month. The rise was maintained, with a slight interruption in January 1941, till the close of the year when the index stood at 92 which was its highest level since January 1938. Between March 1940 and March 1941, the index showed an appreciation of 18 per cent. On the whole, it may be said that the cement industry has considerably strengthened its position during the year under review and has attained a measure of internal stability which should ensure its steady progress at least in the immediate future.

Paper.—The following table gives the profits earned by certain leading paper companies during the last thirteen years.

Paper Industry.

Year	No. of companies	Profits (R 000)	Profits, same companies, preceding year (R 000)	Chain Index [Base: 1928=100]
1928	3	16,09	..	100·0
1929	3	15,00	16,09	93·2
1930	3	14,69	15,00	91·3
1931	3	13,93	14,69	86·6

General.

Year	No. of companies	Profits (R 000)	Profits, same companies, preceding year (R 000)	Chain Index [Base: 1928-100]
1932	3	14,87	13,93	92·4
1933	3	17,83	14,87	110·8
1934	3	17,40	17,83	108·1
1935	4	27,31	21,65	136·4
1936	4	31,51	27,31	157·4
1937	4	36,60	31,51	182·8
1938	4	34,45	36,60	172·1
1939	5	32,76	35,34	159·5
1940	6	60,85	27,14	357·7

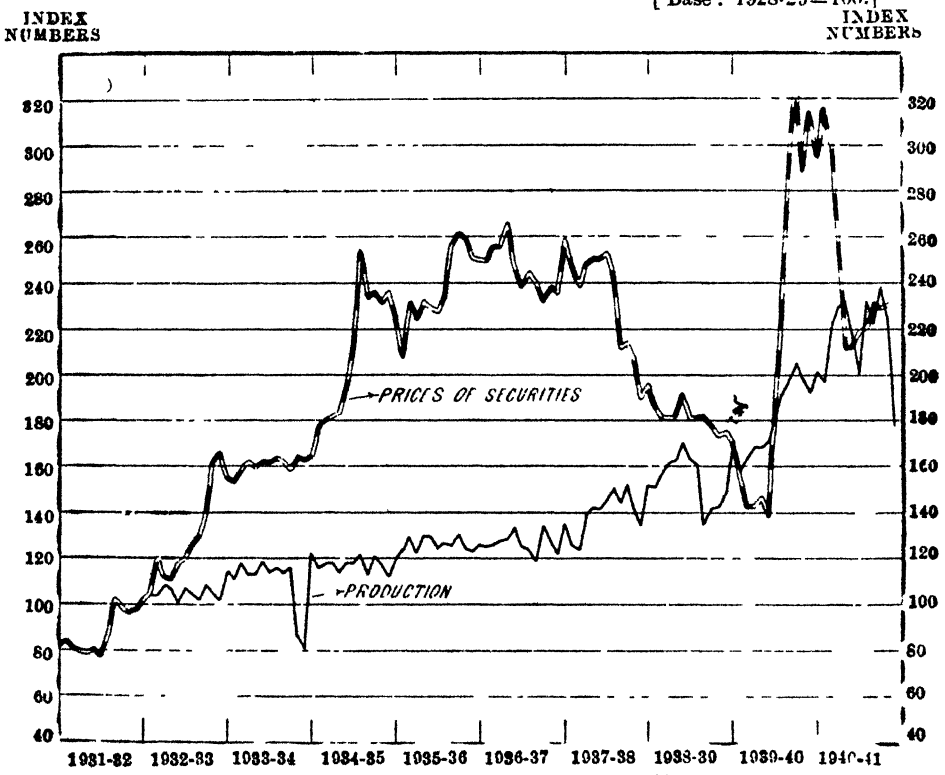
The figures given in the table above provide striking evidence of the improvement in the position of the paper industry since the outbreak of war. Six companies which earned a profit of a little over R27 lakhs in 1939 were able to distribute R61 lakhs in 1940—an increase of 126 per cent. These profits, moreover, were earned mainly in 1939-40 when the full effects of war had yet to be felt and the activity in the paper industry had yet to reach its peak. The fall of Norway and Denmark and the cessation of trade with Sweden left the Indian industry without a rival in the domestic field in respect of several varieties of paper. The other paper-producing countries which were dependent on the Baltic Basin for their supplies of wood pulp were also compelled to reduce their production and exports. Simultaneously, with the expansion of general industrial activity the internal consumption of paper was rapidly increasing. The paper industry in India took full advantage of the situation, as is seen from the fact that production of paper which was already on the upgrade showed a further substantial increase during 1940-41. In some of the older mills, production was maintained at maximum capacity, and a substantial volume of forward business was booked for several months ahead. Experiments were carried out in several new lines of production and with considerable measure of success. In the case of certain imported papers, however, the shortage still persisted and a paper economy drive had to be inaugurated to reduce the consumption of such papers. There was a phenomenal rise in prices and though this was no doubt

accompanied by an increase in the costs of production owing to the enhanced costs of imported chemicals and other essential stores, the situation still left a substantial balance of advantage in favour of the industry. Some of the older mills, moreover, were no longer dependent on imported supplies of raw materials like pulp, chemicals, etc., to the same extent as before, having increased their own output of such raw materials. That the industry hoped to reap handsome profits from the war situation was further illustrated by the decision of one of the leading paper mills in India to issue bonus shares to its shareholders in part recoupment of the loss suffered by them some years ago from the reduction in the Company's ordinary capital. The following chart which shows the trend of production of paper and of prices of paper shares indicates the remarkable advance which the industry has achieved in recent years.

CHART XIII

Paper.

[Base : 1928-29=100.]



NOTE.—Production figures before 1932-33 are not available.

During the year under review the 15 mills working in India produced 1,753,000 cwts. as compared with 1,416,000 cwts. produced by 13 mills in 1939-40 and 1,184,000 cwts. produced by 11 mills in 1938-39. It is interesting to observe that prior to the outbreak of war, this sharp upward tendency of paper production in India was regarded with serious apprehensions as likely to lead to a state of over-production ; while to-day the position is one

of shortage rather than of over-production. At the beginning of the war, mills and dealers were burdened with heavy stocks, but now these stocks are reported to have been largely absorbed and as the Chairman of the Indian Paper-Makers' Association observed at the Annual General Meeting held in April 1941 " to-day paper coming off the machines goes straight to the consumer with very little delay". The industry's difficulty is no longer how to sell paper, but how to allocate production fairly among various classes of customers. It must be pointed out that the trend of share values shown in the chart above does not fully reflect the improvement in the position of the industry. In spite of the fact that the outlook of the paper industry actually improved after April 1940 when the Scandinavian countries were drawn into the war, the prices of paper shares showed a marked downward tendency, the index number (1928-29=100) falling from 316 in April to 312 in August. For one thing, the decline in prices was caused by the sympathetic influence of the general recession in share prices which took place in these months. But an equally important factor which checked a rise in the index number relating to paper shares was the issue of bonus shares by one of the leading companies which has been referred to above. From September, however, prices recovered and it is interesting to observe that between November 1940 and March 1941, the values of paper shares remained remarkably steady, the relative index number keeping in the neighbourhood of 230 with slight fluctuations. The average index of share values for the whole year 1940-41 worked out to 239 as compared with 222 for the preceding year, which shows that the industry was believed to be earning even higher profits during the year under review than those declared in 1940. (*See* Chart on p. 67).

Since the beginning of war, paper and pasteboard were included among the articles the exports of which were controlled by Government. In January 1941, however, the Government of India decided to permit the exports of a limited quantity of printing and writing paper manufactured by Indian mills. The quantities involved were small and were not likely to reduce the domestic supply unduly. The paper mills regarded this permission as of the greatest importance to their future interests, as it enabled them to introduce their papers into non-protected markets such as Malaya and Ceylon. It is possible that at the end of the war, the home market may not be able to absorb the whole of the industry's present output in which case it will have to seek for export outlets. The industry will be in a better position to meet such a contingency if it has already developed its connections with other markets.

It has been pointed out above that in spite of the remarkable increase in Indian production, there still remained several classes of paper which India had to import from abroad. After the cessation of trade with Scandinavia, the U. S. A. and Canada became the leading suppliers of imported paper to India. Imports of paper and pasteboard from these countries increased considerably in 1940-41, amounting to 1,499,000 cwts. in that year as compared with 267,000 cwts. in the preceding year. Such heavy imports naturally involved an enormous expenditure of foreign exchange which could have otherwise been used for more essential purposes. The Government of India, therefore, decided to restrict, with effect from the 28th December

the imports of paper and pasteboard (excluding newsprint), from hard currency countries. Subsequently, in March 1941, newsprint was also added to the import control scheme.

Prices in India.—The following table shows the index numbers of wholesale prices in Calcutta, Bombay, the United Kingdom, the United States of America, Canada, Japan, Germany, Sweden and Switzerland :—

Index numbers of Wholesale Prices in India and some of the principal countries of the world.

	India		United Kingdom	United States of America	Canada	Germany	Japan	Sweden	Switzerland
	Calcutta	Bombay							
	July 1914 =100	July 1914 =100	1930 =100	1926 =100	1926 =100	1913 =100	October 1900 =100	1035 =100	July 1914 =100
Average—									
1932 . . .	91	109	86	65	67	97	161	92	96
1933 . . .	87	98	86	66	67	93	180	90	91
1934 . . .	89	95	88	75	72	98	178	96	90
1935 . . .	91	99	89	80	72	102	186	100	90
1936 . . .	91	96	94	81	75	104	198	102	93
1937 . . .	102	106	109	86	85	106	238	114	111
1938 . . .	95	101	101	79	79	106	251	111	107
1939 . . .	108	109	103	77	75	107	278	115	111
1940 . . .	120	118	137	79	83	110	311	146	143
1940—									
Jan. . . .	130	128	125	79	83	108	320	136	128
Feb. . . .	126	124	128	79	83	108	317	138	130
Mar. . .	121	119	129	78	83	109	312	140	132
Apl. . . .	121	121	132	79	83	110	314	141	134
May . . .	117	118	134	78	82	110	312	142	135
June . . .	114	114	134	78	82	110	308	143	139
July . . .	114	115	140	78	82	111	306	146	141
Aug . . .	115	112	140	77	83	111	306	146	146
Sep. . . .	119	113	141	78	83	111	308	148	152
Oct. . . .	121	115	143	79	83	111	310	154	156
Nov. . .	122	118	147	80	84	111	310	158	161
Dec. . . .	120	118	149	80	84	111	312	159	164
1941—									
Jan. . . .	121	117	150	81	85	111	313	162	167
Feb. . . .	119	116	150	81	85	112	317	165	168
Mar. . . .	123	120	151	82	86	112	322	169	170

Wholesale prices in Calcutta reached their peak in December 1939 when the index number (July 1914=100) stood at 137 or 37 per cent above the pre-war level. Thereafter, a decline set in, the causes of which were fully

explained in the last year's Review. From January to June 1940 prices steadily receded, the index number falling to 114 which was 23 points lower than in December 1939. This decline in prices was in the nature of a reaction to the heavy speculative buying which prevailed in the first four months of war and which had created an unhealthy position in the commodity markets. Besides, the decision of the British Government to postpone the delivery date for jute sandbags and the Excess Profits Tax announced in January 1940 also affected the market sentiment. The downward trend was further accentuated in the three months, April to June 1940, when business confidence was rudely shaken by the political events in Europe. Moreover, the acute shortage of shipping and the surpluses arising from the loss of European trade created great nervousness in all commodity markets. The index number remained unchanged at 114 in July and improved only slightly to 115 in August. From September, however, prices began to recover and maintained their rising trend till November. The recovery was due to a variety of factors, the more important among them being the improvement in the war situation and the psychological effects of the various measures taken by the Central and Provincial Governments. These factors have been already discussed above. From December 1940 to February 1941, prices showed an easier tendency, owing to the pressure of new crop arrivals; but in March 1941, the index number spurted up again to 123 or 2 points higher than a year earlier. The average index for the year 1940 worked out to 120 as compared with 108 for the preceding year. It is worth noting that the rise in prices was shared by a comparatively few articles such as tea, other food articles, jute and cotton manufactures, other textile manufactures and metals and that most of the other groups recorded a preceptible decline. Between March 1940 and March 1941, tea rose by 34 per cent, "other food articles" by 15 per cent, jute manufactures by 15 per cent, cotton manufactures by 14 per cent, other textiles by 8 per cent and metals by 11 per cent. Among the articles which suffered a decline during the same period, raw jute fell by 44 per cent. raw cotton by 28 per cent, sugar by 20 per cent, hides and skins by 17 per cent, oilseeds by 11 per cent, pulses by 9 per cent, cereals by 2 per cent and "other raw and manufactured articles" by 7 per cent. Vegetable oils and building materials remained stationary.

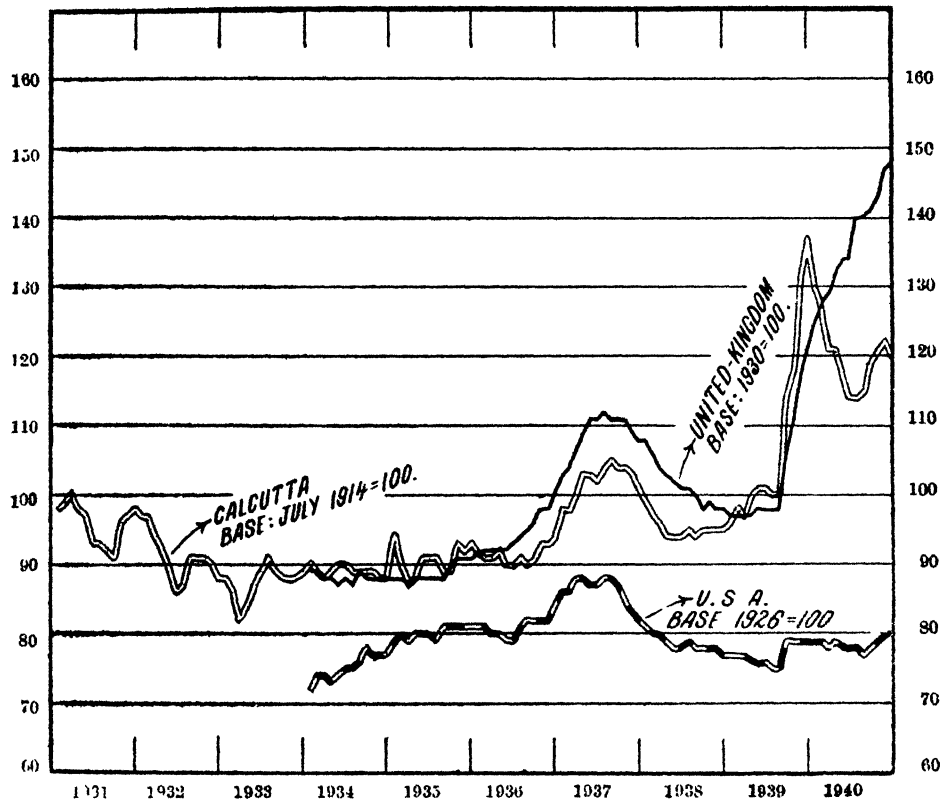
Reference was made in the last year's Review to the machinery set up by the Central and Provincial Governments for the control of prices. As said above, prices in India were more or less steadily receding from January to June 1940 and the problem before the Governments was no longer one of controlling a rise in prices but one of preventing an undue fall in them. The trend was reversed from September 1940 onwards, but as a result of the several restraining influences which were then in operation, the markets never developed the kind of speculative mania which was witnessed in the first few months of war. In the circumstances, the Governments' price-control activities were limited to the maintenance of a careful watch over the trend of prices and taking action in a few individual cases such as imported drugs and medicines. The price-control authorities in Provinces and States continued to issue statements of wholesale prices in order to keep the public informed of the behaviour of prices in principal markets.

General.

The following chart has been drawn to show the general movement of wholesale prices in India, the United Kingdom and the United States :—

CHART XIV.

Index Numbers of Wholesale Prices.



A comparison of the index numbers of wholesale prices for India, the United Kingdom and the United States of America, reveals some important points of difference between the trend of prices in these three countries. During the first half of 1940, wholesale prices in India were steadily declining, while those in United Kingdom were rising month by month. The index number for the United Kingdom (1930=100) advanced from 125 in January to 134 in June. In July, it rose further to 140 and remained unchanged at that level in August. From the following month, however, the divergence between the wholesale prices in India and the United Kingdom was narrowed as Indian prices also began to rise from August onwards. Between August 1940 and March 1941, the index number for the United Kingdom rose from 140 to 150, while that for India rose from 115 to 123. The relatively greater rise in the United Kingdom prices is due to the tremendous pressure of war requirements on the productive resources of that country. The average

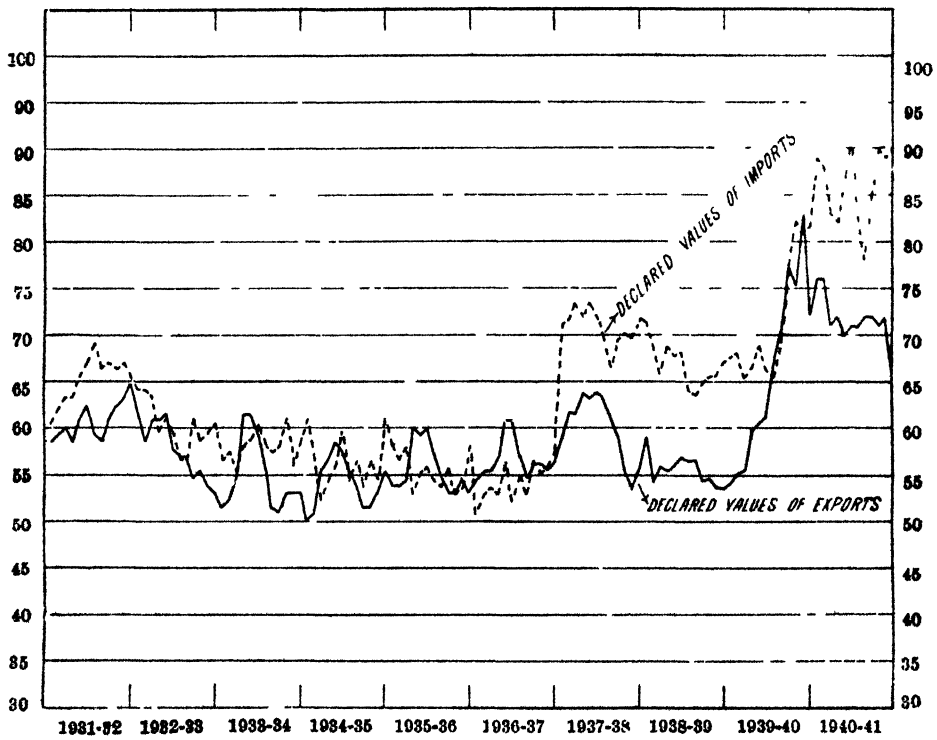
rise in prices in 1940 as compared with 1939 worked out to 33 per cent in the case of the United Kingdom as compared with 11 per cent in the case of India. In the United States, on the other hand, wholesale prices showed a steadier trend, the relative index number (1926=100) rising from only 79 in January 1940 to 81 in February 1941—a rise of only 3 per cent. The steadiness of American prices is all the more remarkable in view of the huge defence programme of the American Administration and the purchases made by the Allied Powers in that country.

It may be interesting to examine the trend of agricultural prices which are of more vital significance to an agricultural country like India than industrial prices. India's exports consist largely of agricultural commodities and her imports of manufactured articles and hence the indices of export and import prices may be roughly taken as representing agricultural and industrial prices respectively so far as India is concerned. The following chart shows the movements of these indices.

CHART XV.

Index Numbers of Declared Values of Exports and Imports.

[Base: 1927-28=100.]



N.B.—Figures from 1937-38 refer to British India excluding Burma.

General.

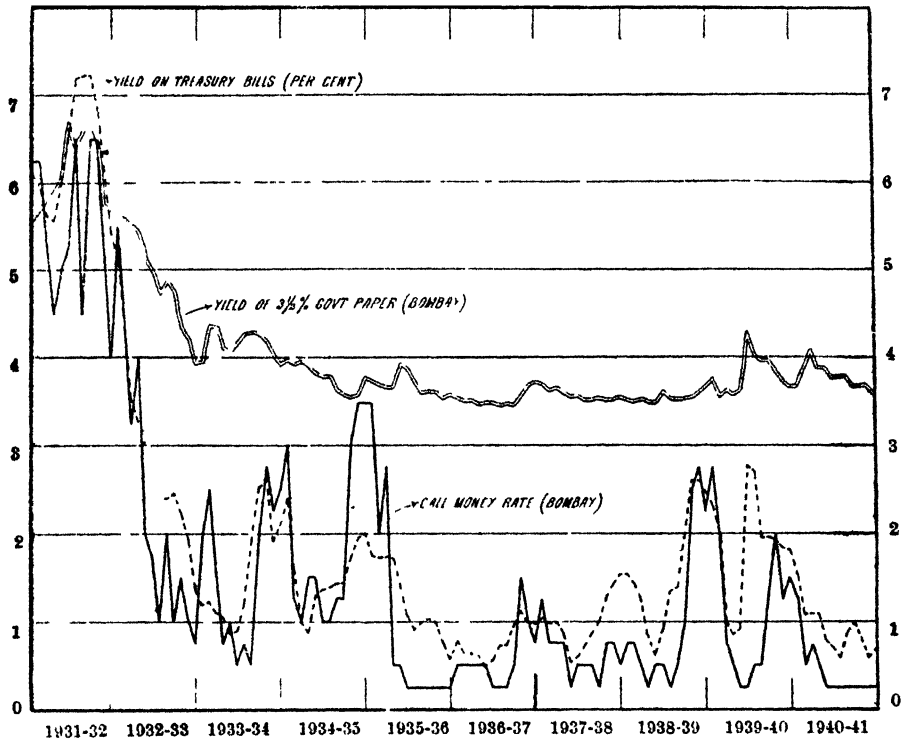
The index number of export values, with 1927-28 as the base, stood at 76 at the beginning of the year, as compared with 54 in April 1939. Under the influence of the adverse political situation, the index fell to 71 in June and after a slight recovery in July, fell further to 70 in August. A steadier tendency was noticeable during the next six months when the index fluctuated round 72. In March 1941, however, export values registered a sharp drop, the index coming down to 66. The average index for the whole year worked out to 72 or 9 per cent higher than the average for 1939. The rise in import values was comparatively greater. The index number of import values was 89 in April 1940 as against 68 a year earlier. Following the general recession in wholesale prices, the index fell to 82 in July, but rose again to 91 in September. During the next six months, it fluctuated between 83 and 90. Over the year as a whole, the index of import values averaged 86 as compared with 71 in the preceding year. The average rise in import values thus amounted to 21 per cent as compared with a rise of 9 per cent in export values. These index numbers are subject to many limitations, but generally speaking, the relatively greater rise in the prices of imported articles was partly responsible for the reduction in India's merchandise balance of trade during the year under review.

Financial Conditions.—A fact of profound significance in the financial history of the present war is the consistent easiness of monetary conditions in a period in which public expenditure was rapidly mounting and Governments had to make increased demands on the resources of the money market. The foregoing account of the position of Indian industries during the year under review provides evidence of the heightened activity in several sectors of Indian industry also and even those industries in which current productive activity was on a diminished scale, the demand for short-term finance remained unchanged owing to the increased resources required for carrying heavier stocks. This is, however, only a partial account of the matter, for the reason that in a predominantly agricultural country like India, not only is the aggregate demand for money influenced by seasonal factors, but the bulk of it originates from activities outside the Governmental and industrial spheres. In examining the forces affecting the demand for money, attention must be paid to the position of agriculture and trade in addition to that of Government and industry. Agricultural prices in India were more or less continuously on the downgrade from February to August 1940, with the result that the same volume of trade required smaller finance. Besides, the volume of trade itself was reduced as a

result of the shortage of shipping and a sudden cessation of trade with a number of countries on account of the war. Banks which had advanced money for financing the exports of agricultural produce found it locked up for long periods, while the whole basis of agricultural credit was affected as a result of the serious apprehensions felt about the surplus situation in respect of different commodities. Thus, this contraction of trade affected the money market in two ways - it reduced the demand for loans, and at the same time it made banks adopt a cautious policy in making loans. Funds thus released sought investment in safer channels where the money rates were lower. During the major part of the period under review, advances of scheduled banks were coming down month by month—between June and December they showed a total reduction of R43 crores; but the fall in advances was by no means entirely due to lack of demand for funds, but also to seasonal factors and the unwillingness of the money market to lend money in certain directions. The increased demand on industrial and Government account was thus to some extent offset by diminished demand on account of agriculture and trade and furthermore, while there was an abundance of money for certain purposes, in other directions (where loans against agricultural produce were involved) there was a contraction of credit, lenders being perhaps quite as scarce as borrowers. These were, however, factors which governed mainly the demand for money. On the supply side, the part played by monetary authorities was equally important. The large acquisitions of sterling by the Reserve Bank enabled the monetary authorities to satisfy the demand for currency without affecting the reserve position of the scheduled banks. The maintenance of the bank rate at 3 per cent throughout the year also exerted a powerful influence on the whole structure of interest rates. To sum up, the persistence of cheap money during the period under review was due to a combination of factors, such as the continuous expansion of the cash resources of the money market as a result of the accretions of sterling, the operations of the Reserve Bank and the Government, the maintenance of the bank rate and bond rate at 3 per cent, the relative and temporary set-back suffered by agriculture and trade, the lower level of agricultural prices which to some extent led to a contraction of credit and consequent diminution of opportunities for lending in certain directions.

The course of interest rates during the year under review may now be surveyed in the light of this general analysis. The following chart depicts the trend of interest rates during the last ten years.

CHART XVI.



In some respects, the period since April 1940 presented a sharp contrast to the six months preceding. The earlier period was characterised by fluctuations in interest rates (the inter-bank call rate rising to 1½ per cent in March 1940), by increases in bank advances against stocks, shares and commodities accompanied by only a small increase in deposits. The period since April 1940 witnessed an antithesis of these conditions. In April, the call rate was quoted at 1¼ per cent ; it fell to ½ per cent in May, but the wave of hoarding which set in after the German invasion of Belgium and Holland induced banks to increase their liquidity and the rate hardened to ¾ per cent in June. In July, the market again became slack and from August to December 1940, the rate hovered round ¼ per cent with slight fluctuations. The advent of the busy season made little impression on the call rate, which remained practically unchanged till the end of March 1941, though the decline in bank advances was arrested from January 1940. From January to March 1941, a part of the reduction in bank advances which had taken place since June 1940 was made up.

The discount on treasury bills was naturally influenced by the state of the money market described above. In fact, the decline in the treasury bill rate had started just when the busy season was in full swing. In March 1940, the average rate amounted to R1-13-2 ; it eased off to R1-8-1 in April and continued its downward course throughout the following six months. By October, the rate had fallen to as low as R0-10-4. In November, however, a

temporary excess of renewals over maturities combined with the advent of the busy season led to a firming up of the treasury bill rate to R0-14-7. In December, maturities were again in excess of renewals, but the requirements of end-of-year finance pushed up the rate further to R0-15-9. With the beginning of the new year, the rate again began to recede and fell as low as R0-10-5 in February, recovering slightly to R0-11-3 in the following month. The competition for treasury bills continued to be quite as keen as before during the last quarter of the year under review, when usually there is a large efflux of funds to up-country centres for financing the movement of crops. The total amount of treasury bills sold to the public by the Government of India by tender and by intermediates was R101·33 crores at an average rate of R0-14-3 per cent per annum in the year under review as compared with R120·43 crores at an average rate of R1-13-9 per cent per annum in the preceding year. The amount of treasury bills sold in favour of the Issue Department of the Reserve Bank of India increased from R104·94 crores in 1939-40 to R140·76 crores in 1940-41. During the year under review, four Provincial Governments issued treasury bills amounting to R6·90 crores as compared with R11·80 crores issued by six Provincial Governments in the preceding year. The average yield of Provincial treasury bills was R0·91 per cent per annum in 1940-41 as against R2·58 per cent per annum in 1939-40.

The trend of long-term interest rates was equally satisfactory. By the end of 1939, the security markets had completely recovered from the shock of the war and from January 1940 the long-term rates of interest had begun to adjust themselves to lower levels. By April 1940, the yield of 3½ per cent Government paper which affords a fair index of the long-term rate, had fallen to 3·70 per cent. The events of May and June, however, upset the market and with the consequent depreciation of gilt-edged securities, the rate of yield rose to 3·95 in May, and 4·12 in June. During the next two months, the prices of securities remained low, though at a higher level than in June, but from September when the tension about the war situation had considerably eased, the rate began to decline, falling as low as 3·66 in January 1941 and after a short spurt in the following month, to 3·65 in March. In March 1941, the average rate of yield was 3·70 per cent. The continuance of low rates of interest during the period under review was of extreme importance not merely for financing the war but for helping the progress of the country along the path of industrialisation.

As pointed out above, the Reserve Bank rate remained unchanged at 3 per cent throughout the year.

General.

Banking.—The annual average position of the scheduled banks in India and Burma in 1940-41 and 1939-40 is given in the following table :—

Scheduled Banks' Consolidated Position.

(In lakhs of Rupees.)

	1939-40.	1940-41.	Difference between 1940-41 and 1939-40.
Demand liabilities in India and Burma	1,39,57	1,63,86	+24,29
Time liabilities in India and Burma	1,06,00	1,04,95	—1,05
Cash in India and Burma	7,06	8,38	+1,32
Balances with Reserve Bank	17,49	36,40	+18,91
Advances in India and Burma	1,25,66	1,22,28	—3,38
Bills discounted in India and Burma	5,25	3,86	—1,39

The main features of the banking situation during the year under review have already been touched upon in the foregoing discussion of money market conditions. The table above reveals three important features of the year, namely, an increase in demand liabilities accompanied by a reduction in time liabilities, the expansion in the cash resources of the banking system and the shrinkage of bank advances and the volume of bills discounted. It was only in the first eight or nine months of the year, however, that these trends were prominently in operation. During that period, the banks were being continually flooded with demand deposits while their advances and discounts were dwindling week by week. Between the 29th March and the 27th December 1940, the scheduled banks' advances and discounts fell by R59·25 crores, while their demand liabilities increased by R24·56 crores. An indication of the surplus funds which thus accumulated with the scheduled banks was provided by the increase in their interest-free deposits with the Reserve Bank which stood at the level of R47·25 crores on the 27th December showing an increase of R30·08 crores as compared with March. Banking profits must have suffered heavily from these developments. During this period, there was a reduction of R8·12 crores in the time liabilities of banks, which was due partly to the unwillingness of banks to accept fixed deposits and partly to the general preference for liquidity on the part of depositors. These trends were, however, reversed from the beginning of January 1941 onwards and with a gradual revival of demand for bank accommodation, advances and discounts went up, the increase amounting to R16·95 crores between the 3rd January and 7th March 1941. During the same period, the demand liabilities declined by R88 lakhs, time liabilities improved by R4·69 crores and the scheduled banks' deposits with the Reserve Bank were reduced by R5·07 crores. The average changes over the year 1940-41 as compared with the preceding year are shown in the table above.

The banking system was exposed to its greatest strain during the year under review when in June and July 1940, the banks were called upon to release large amounts of rupee coin to satisfy the wave of hoarding which had set

in during those months. Before June 1940, demands for the encashment of notes were spasmodic and averaged less than a crore per week. From June, there were large-scale conversions of currency notes into rupee coin and the absorption of rupee coin went up week by week, amounting to R23·30 crores between the beginning of May and mid-July. On the 25th June, the Government of India issued an Ordinance making the acquisition of whole rupees in excess of personal or business requirements punishable under the Defence of India Act. Although the Ordinance succeeded in checking the withdrawals, the public continued to suffer considerable inconvenience owing to the absence of an alternative medium of exchange, lower in value than the smallest denominations of the Reserve Bank note, namely R5. Some further steps were needed to ease the situation. As a temporary measure the Reserve Bank made special arrangements for the supply of rupee coins to individuals for their genuine personal needs. This was followed by the issue of an Ordinance on the 24th July authorising the Government to put into circulation notes of the denominational value of one rupee. The new rupee notes were to be treated as identical with the "rupee coin" for purposes of the provisions of the Reserve Bank of India Act governing the holdings of rupee coin in the Issue Department. As a result of these measures, confidence was gradually restored and by the end of August the withdrawals of rupee coins were reduced to more normal proportions.

As a result of these heavy withdrawals, the Reserve Bank's reserve of rupee coin was heavily reduced week by week and the Central Government had to consider the possibility of having to deliver coin to the Bank at short intervals instead of at the end of a financial year as laid down in the Reserve Bank of India Act. An Ordinance was, therefore, issued in July 1940 amending the relevant sub-section of the Act. the amended sub-section reads as follows: "At the close of any week in which the amount of rupee coin held in the assets as shown in the weekly accounts of the Issue Department for that week, is less than 50 crores of rupees or one-sixth of the total amount of assets as so shown, whichever may be the greater, the Central Government may with the consent of the Bank deliver to the Bank rupee coin up to the amount of such deficiency against payment of legal tender value."

Another Ordinance issued by the Government of India on the 26th July 1940 provided for the reduction in the silver content of the half-rupee coin from eleven-twelfth to one-half. The reason for taking this step was stated to be the need for conserving silver resources as far as possible in view of the heavy absorption of rupee coin for hoarding purposes which took place in June and July 1940. The Indian Coinage (Amendment) Act, passed in April 1940, had already reduced the silver content of the four-anna coins to one-half. In December 1940, the Government of India announced their decision to undertake fresh coinage of silver rupees on a large scale: with two important innovations, namely, the silver content of the rupee was reduced to one-half and the new rupee coins had a security edge device which was considered to be an absolute safeguard against counterfeiting.

During 1940, the number of scheduled banks (banks with a capital of R5 lakhs and above) increased from 59 to 64. In view of the uncertainties of the war situation, the scheduled banks followed a cautious policy in respect

of branch expansion and the number of their offices, including head offices, rose from 1,322 at the end of June 1940, to 1,404 at the end of June 1941, showing an increase of 82.

A reference was made in the last year's Review to the banking bill framed by the Reserve Bank and circulated for the views of the public in January 1940. In advance of the main legislation, some important reforms were effected in the banking system during the year under review. It was found that the Reserve Bank Act contained no provision to prevent a scheduled bank from withdrawing its statutory deposit even up to the full amount, provided it paid the penal interest on the deficiency. The Act was, therefore, amended so as to empower the Bank to prohibit defaulting banks from accepting fresh deposits during the period of default and penalising directors and other officers knowingly and wilfully a party to the default. Another important reform was the extension of remittance facilities effected since the 1st October 1940. The intention was to standardise remittance facilities throughout the country, to simplify the accounting procedure involved in the accounts of the Central and Provincial Governments, to effect extension of remittance facilities for the general public as well as the banks and to effect reduction in rates. The old "Currency Telegraphic Transfers" and "Supply Bills" were replaced by bank transfers and bank drafts. For this purpose the Imperial Bank and its branches and treasuries and sub-treasuries with currency chest facilities were appointed agencies of the Reserve Bank. So far as the general public were concerned the main benefits were the reduction in the minimum from R10,000 to R5,000 as the basis of the lower remittance rate and the reduction in telegraphic transfer charges. An additional concession offered to the scheduled banks was that they could issue telegraphic transfers and drafts in favour of third parties, subject to certain limits on drawings, at the rate of 1/16 per cent up to R5,000 and 1/32 per cent over R5,000. The extension of remittance facilities was a highly desirable step, as remittance facilities play an important part in connecting the principal money markets and the mofussil centres and thus narrowing the spread between the interest rates prevailing in different parts of the country.

The volume of currency was adjusted from time to time during the year under review to meet the varying needs of circulation. The combined average note circulation, excluding notes held in the Banking Department of the Reserve Bank, in India and Burma amounted to R242 crores in 1940-41 as compared with R209 crores in 1939-40 or a rise of R33 crores. If average note circulation in India alone is taken, it amounted to R228 crores as compared with R198 crores in the preceding year. In order to meet the increased demand for currency the Reserve Bank expanded the total note issue from R228 crores in 1939-40 to R259 crores in 1940-41 an increase of R31 crores, out of which the increase for India only amounted to R29 crores. The expansion was effected mostly against additional sterling securities which the Reserve Bank was able to purchase out of its accumulating sterling balances. The average value of sterling securities held in the Issue Department increased by R62 crores from R78 crores in 1939-40 to R130 crores in the year under review.

General.

Exchange.—The table below gives the average rate of exchange from Calcutta on London for Telegraphic Transfers (selling rate) for each month since 1929-30 :

	1929-30		1930-31		1931-32		1932-33		1933-34		1934-35		1935-36		1936-37		1937-38		1938-39		1939-40		1940-41	
	s	*d*	*s.*	*d.*	*s*	*d*	*s*	*d.*	*s*	*d.*	*s*	*d.*	*s*	*d.*	*s*	*d*	*s.*	*d.*	*s*	*d.*	*s.*	*d.*	*s.*	*d.*
April .	1	5 11/16	1	5 11/16	1	5 11/16	1	5 11/16	1	6 1/16	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 13/16	1	5 11/16
May .	1	5 13/16	1	5 11/16	1	5 11/16	1	5 13/16	1	6 1/16	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 7/8	1	5 7/8	1	5 11/16
June .	1	5 11/16	1	5 13/16	1	5 3/4	1	5 13/16	1	6 1/16	1	6	1	6 3/16	1	6 3/16	1	6 3/16	1	5 15/16	1	5 5/8	1	5 11/16
July .	1	5 13/16	1	5 13/16	1	5 13/16	1	6 1/16	1	6 1/16	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 7/8	1	5 7/8	1	5 11/16
August	1	5 13/16	1	5 3/4	1	5 3/4	1	6 1/16	1	6 1/16	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 7/8	1	5 13/16	1	5 11/16
September.	1	5 15/16	1	5 3/4	1	5 3/4	1	6 1/8	1	6	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 7/8	1	5 13/16	1	5 11/16
October	1	5 15/16	1	5 13/16	1	5 11/16	1	6 1/8	1	6	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 13/16	1	5 13/16	1	5 11/16
November.	1	5 3/4	1	5 3/4	1	6 3/16	1	6 3/16	1	5 13/16	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 13/16	1	5 13/16	1	5 11/16
December.	1	5 13/16	1	5 3/4	1	6 3/16	1	6 3/16	1	6	1	6 1/16	1	6 3/16	1	6 3/16	1	6 3/16	1	5 13/16	1	5 13/16	1	5 11/16
January	1	5 13/16	1	5 3/4	1	6 3/16	1	6 1/8	1	6 1/16	1	6 3/16	1	6 3/16	1	6 1/8	1	6 3/16	1	5 13/16	1	5 13/16	1	5 11/16
February	1	5 3/4	1	5 3/4	1	6 1/8	1	6 1/8	1	6 1/16	1	6 1/8	1	6 3/16	1	6 1/8	1	6 3/16	1	5 13/16	1	5 13/16	1	5 11/16
March .	1	5 11/16	1	5 11/16	1	6 3/16	1	6	1	6 1/16	1	6 3/16	1	3 3/16	1	6 3/16	1	6 3/16	1	5 11/16	1	5 13/16	1	5 11/16
Average rate during the year.	1	5·85	1	5·73	1	5·91	1	6·06	1	6·02	1	6·05	1	6·09	1	6·10	1	6·09	1	5·90	1	5·93	1	5·97

India's exchange position was, on the whole favourably influenced by war conditions. The actual volume of exchange transactions was, however, very small and for the major part of the period under review, the exchange market presented a dull and inactive appearance. Throughout the year under review, the Reserve Bank continued to accumulate sterling balances. Towards the end of the year, however, the rupee-sterling exchange suddenly weakened, owing to the emergence of a large remittance enquiry to pay for the silver purchases made in London and the psychological effects of the reduced favourable balance reported for February 1941. The Reserve Bank, however, promptly met all the requirements of the market and the rate then steadied up. During the year under review, the total open market purchases of sterling by the Reserve Bank amounted to £57·1 million at an average rate of 1*s.* 6*d.* as compared with £72·6 million at an average rate of 1*s.* $5\frac{68}{64}$*d.* purchased in the previous year. Though the amount of sterling purchased in the market in 1940-41 was smaller than in the preceding year, it was still higher than in any other year since 1935-36. In addition to these open market purchases, the Reserve Bank also received large amounts of sterling on account of His Majesty's Government's purchases of war materials in India. The balances so accumulated were used by the Reserve Bank in three ways—a part of them was utilised to provide cover for additional note issue, a part was placed at the disposal of the Government to meet their ordinary remittance requirements and a part was used in connection with the Government's scheme for repatriating India's sterling debt. After financing a large part of these transactions, the Reserve Bank's holdings of sterling securities in the Issue Department stood at R102·24 crores at the end of March 1941 as against R113·50 crores a year earlier.

General.

The technique of British exchange control was further elaborated during the year under review. Broadly speaking, exchange control was directed towards two main objectives, namely, making the official rate effective and conserving the foreign exchange resources. The first of the problems arose because of the emergence of " a free market " in sterling in the United States after the outbreak of war. As the British monetary authorities were prepared to buy dollars in unlimited quantities but were not prepared to sell them except for approved purposes, those holders of sterling who were unable to get dollars for their balances sold their sterling in New York for whatever it could fetch in terms of dollars. A free market thus came into existence in which the sterling-dollar rate could be and at times was quoted below the official rate. In order to counteract this development, the British monetary authorities thought it desirable to intervene. With a view to reducing the demand for free sterling, regulations were framed making it compulsory for exporters of several commodities to the hard currency countries to recover the proceeds, within a reasonable period of time, either in the form of sterling obtained at the official rate or in the form of the currencies of those countries. All exports to the U. S. A. and Switzerland, for example, were required to be paid for in sterling obtained from the Exchange Control at the official rates or American dollars or Swiss francs respectively. These measures, however, did not yield completely satisfactory results in the beginning and the rate in New York continued to diverge from the official rate. In July 1940, therefore, the Bank of England employed a new device called " special accounts ". These " special " or " registered " accounts were opened in London in the name of American banks and it was provided that the monetary authorities in Great Britain and the U. S. A. would henceforth buy or sell sterling only from or to the registered accounts at the official rate. Persons in Great Britain who had to make payments to residents in the U. S. A. could henceforth make them only by paying sterling into registered accounts at the official rate and those who had to receive payments from the U. S. A. could receive them only in the form of sterling from the registered accounts. Thus, all exchange transactions were required to be executed only through the medium of registered accounts. These measures were completely successful. The volume of dealings at the unofficial rate was quickly reduced to negligible proportions and the rate of exchange in the free market gradually approached the official rate. Other countries in the sterling area, including India, also followed the practice of carrying on all transactions with the U. S. A. through the registered accounts in London, thereby adding to the efficacy of the measures. In course of time the Bank of England opened similar registered accounts for other hard currency countries also, thus making the official rates effective in almost every important case. Another important step taken in addition to the opening of registered accounts was to prohibit the transfer of sterling deposits from residents to non-residents; this arrested the flight of capital from London to New York and thus closed an important source of supply of sterling to the free market. As a result of these measures, the " free " sterling-dollar rate in New York was not merely brought in line with the official rate but was sometimes quoted above the latter. In November 1940, the system of special accounts was further extended by the Bank of England by opening what were called " sterling area accounts " for certain countries and by

arranging for payments to residents in such countries to be made through them. The sterling area accounts were opened in British banks in the names of private residents with a view to enabling them to effect certain minor disbursements. All these regulations, designed by the Bank of England for making the official rates of exchange effective, were enforced in India also with modifications wherever necessary to suit Indian conditions.

Among the measures taken during the year under review for achieving the second object of exchange control, namely, the conservation of foreign exchange resources, the control of imports from hard currency countries was perhaps the most important. The system of import restrictions was introduced on the 20th May 1940. The particulars of this system are given below under the Section " Trade Restrictions ". The other measures designed for the conservation of foreign exchange included a complete ban on the sale of securities owned by residents outside the sterling area, and a stricter control over remittances to hard currency countries. In July 1940, the Government of India decided to refuse permission for any remittances from India for the support or maintenance of individuals who wished to go or send their children to Canada or the U. S. A. for reasons of personal convenience. Remittances were, however, allowed in reasonable amounts in respect of commitments entered into previously. In November 1940, an amendment was made in the Defence of India Rules the effect of which was to prohibit the export from India of any currency notes or coins, whether Indian or foreign, except under a licence from the Reserve Bank. Subsequently, the Reserve Bank granted general permission for the export of foreign currency notes or coin including Bank of England notes to the equivalent of £10 per head or Reserve Bank of India or Government of India notes or coin up to R150. A limit of R1,000 per head was fixed in the case of travellers or remittances to Ceylon, Portuguese and French India, Aden, Iraq, Arabia, Iran and Persian Gulf ports. Export of notes or coin of the country of destination was permitted without limit. Subsequently, permission was granted for the export of Indian currency without limit to French India.

Following the British example, the authorities in India also took steps to mobilise the dollar exchange holdings of private individuals for Government purposes. In July 1940, a notification was issued calling for a return to be made within one month to the Reserve Bank of India of all securities in respect of which the principal, interest or dividends were payable in U. S. dollars. The object of the measure was to get accurate information as to the total amount of dollar securities held in India. On the basis of the information so collected, a further notification was issued on the 10th March 1941 requiring the owners of certain specified U. S. dollar securities to surrender

them within a period of one month. Payment was made at prices specified in the schedule attached to the notification. Dollar balances were similarly requisitioned by a notification issued earlier, on the 23rd November 1940 whereby all persons who were holders of such balances were required to offer them for sale to the Reserve Bank of India within three months from the date of the order. Certain exemptions were allowed, namely, the balances held by authorised dealers in foreign exchange in India, licensed dealers in cotton and persons who were not subjects of His Majesty or any Indian State. Besides, persons or firms to whom the maintenance of a dollar account was necessary for the efficient conduct of their business were also exempted from the operation of this order.

Among other measures taken during the year under review for tightening the control over the exchanges was the prohibition of the imports of Bank of England notes since August 1940. This was necessary because of the fact that considerable amounts of Bank of England notes had been held in France and other territories occupied by Germany and were, therefore, likely to fall in enemy hands.

Movements in the exchange rate are closely related to the balance of trade and hence a description of India's exchange position in 1940-41 will not be complete without an examination of the balance of trade figures. As, for currency and exchange purposes, India and Burma form one unit, the following table shows the combined balance of trade of the two countries with the rest of the world :—

Statement showing the balance of trade in merchandise of British India and Burma with other countries.

(In lakhs of Rupees.)

—	1937-38.	1938-39.	1939-40.	1940-41.
Exports and Re-exports of merchandise .	2,02,66	1,80,25	2,22,09	2,07,41
Imports of merchandise . . .	1,59,47	1,37,04	1,44,54	1,39,20
Balance of trade in merchandise . .	+43,19	+43,21	+77,55	+68,21

The total balance of trade in merchandise of India and Burma together in the year under review amounted to R68,21 lakhs in favour of the two countries, which was R9,34 lakhs less than in 1939-40, but was still substantially higher than in either 1937-38 or in 1938-39. The balance of trade was thus sufficiently large to ensure a satisfactory exchange position.

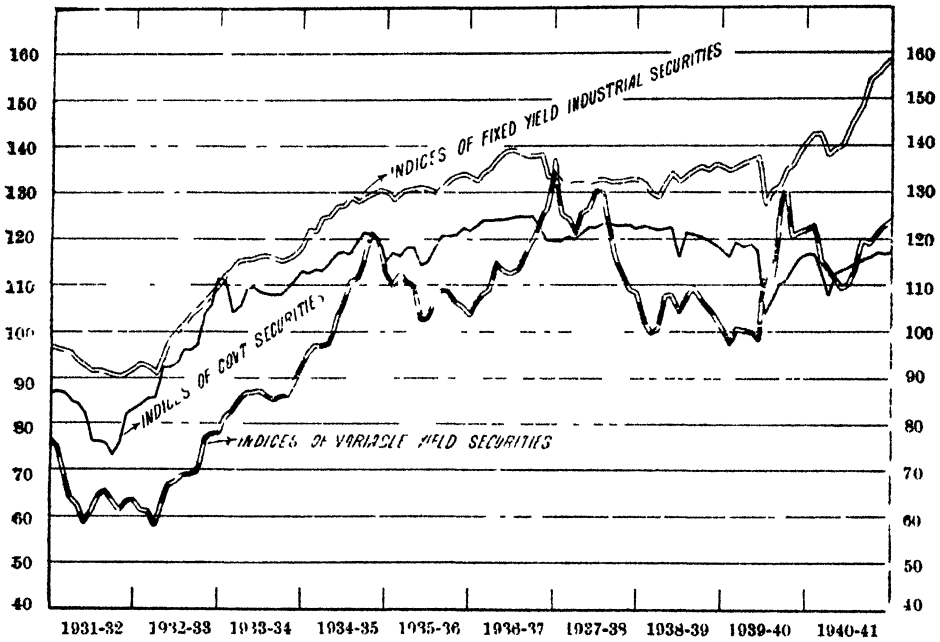
General.

Security Markets.—The following graph shows the movements of indices of Government securities, fixed-yield securities and variable-yield securities :—

CHART XVII

Index Numbers of Indian Securities.

[Base . 1927-28=100.]



Government Securities.—Continuance of cheap money and the confidence shown by investors in the future of gilt-edged prices were the two factors which mainly account for the steady tone of gilt-edged values during the period under review. There can perhaps be no better indication of the intrinsic strength of the security market than the fact that during the major part of the period, investment demand was mostly centred on long-term issues. Political events no doubt caused a nervous feeling at times, as for example in June and July 1940 when the price of 3½ per cent paper fell to R88 as compared with R94-9 in previous April and the Stock Exchange authorities in Bombay had to fix minimum prices for all securities from the 26th June. The market, however, showed remarkable powers of resilience after all such setbacks. From August, there was a steady rise in prices which took the quotation of 3½ per cent paper from R89-15 in that month to R95-8 in March 1941. The fact that the new loans offered by Government carried a slightly lower yield than that obtainable from existing securities acted as a great psychological stimulus, as it dispelled all doubts about the continuance of low interest rates, thereby leading to a general levelling up of prices. The market was also favourably influenced by the Government's scheme for repatriating the terminable portion of their sterling debt and their decision to requisition dollar securities. It was thought that the proceeds of the dollar securities requisitioned by Government would seek investment in Indian gilt-edged bonds.

General.

The Government of India's loan programme for the year under review was merged in the Indian Defence Saving movement which was launched on the 4th June 1940 with the issue of Six-year Defence Bonds, Ten-year Defence Savings Certificates and Three-year Interest-free Bonds. The Defence Saving Certificates were issued in units of R10 up to a limit of R5,000 for each individual, the return after 10 years being R13-9 and the yield being approximately 3⅛ per cent compound interest, free of tax. The Six-year Defence Bonds were issued at 3 per cent per annum with a redemption bonus of one per cent, subject to a limit of R15,000 for each member of a family. The yield on these bonds worked out to 3⅛ per cent per annum as compared with 3½ to 3⅜ per cent per annum obtainable from comparable existing securities. The interest-free loan was issued in response to many requests from individuals who were anxious to place money at the disposal of the Government for war purposes but did not wish to take advantage of any interest-bearing issue. All these bonds evoked a ready response from the public. From the 1st August, the Government removed the maximum limit prescribed for individual holdings of Defence Bonds which were thereafter sold in unlimited amounts. These bonds were kept open for subscription up to the 25th January 1941 by which date subscriptions totalled nearly R45 crores of which R13½ crores were in conversion of the 5 per cent loan 1940-43. The remaining portion of the 5 per cent loan 1940-43 amounting approximately to 6 crores was repaid in cash in October 1940. From the 1st February 1941, the Government replaced the Defence Bonds by a new Defence Loan which carried interest at 3 per cent and was repayable at par in 1949-52. The terms of the new loan were thus slightly less favourable than those of its predecessor which carried a redemption bonus and was repayable at an earlier date. The gradual reduction in the Government's borrowing rate made a profound impression on the gilt-edged market leading to all-round improvement in prices.

Reference has been made above to the continued accumulation of sterling in the hands of the Reserve Bank. This accumulation was proceeding at a time when, as a result of the payments due from His Majesty's Government on account of recoverable war expenditure and cost of supplies, the remittance requirements of the Government of India had greatly diminished. While introducing the Budget for 1941-42, the Finance Member stated in the Legislative Assembly that Government's ordinary sterling requirements were expected to amount to no more than £1 million in 1940-41 while in 1941-42, instead of having to remit funds to the Secretary of State the Government expected a refund of £26 million. Thus, a remarkable improvement had taken place in India's balance of payments and the country had come into possession of surplus sterling assets which it could use for reducing its externa obligations. The Government of India decided to utilise this opportunity and evolved a scheme for repatriating a portion of its sterling debt. In the initial stages, the Government asked the Reserve Bank to make open market purchases of India sterling securities in London and also offered the holders of such securities the option of exchanging them for their rupee counter-parts which were exactly identical in respect of both interest and maturity dates, but were payable in rupees instead of in sterling. The latter operation involved no use of sterling and thus enabled a larger volume of sterling debt to be repatriated than if the scheme had been confined to open

market purchases. It was also convenient for insurance companies and other investors, because it caused the minimum disturbance to their investment portfolios and because the sterling prices of these loans were slightly lower than those of corresponding rupee securities, so that they gained to a slight extent on the exchange.

In course of time a further extension of this scheme became necessary. As the securities market improved and as the floating stock was removed, it became obvious that open market purchases on a large scale of Indian sterling loans would result in pushing prices up beyond a reasonable level. In these circumstances the Government decided to acquire its sterling securities by obtaining the assent of the British Government to the issue of compulsory vesting orders The orders covered the whole of the terminable sterling debt amounting to a total of approximately £89 million or R119 crores on the basis of acquisition prices. An order was issued by the British Government compelling holders resident in the United Kingdom to sell their stocks to them for delivery to the Government of India at the market prices prevailing at the time of the order. A corresponding order was issued in India with this difference that the residents in India were given the option of taking out rupee counterparts of these loans if they so desired. Some of these bonds were, however, held by persons who were not legally considered as resident either in the United Kingdom or India. As regards these, the Reserve Bank made arrangements with the Bank of England that, subject to the English regulations regarding the export of capital abroad, they would make an offer to non-resident holders to sell their securities on the basis of the prices fixed for their compulsory acquisition. In lieu of the sterling provided by the Reserve Bank to finance these operations, the Government of India issued to the Bank rupee counter parts of sterling loans which the Bank was gradually to dispose of in the market if and when opportunity arose. This meant that initially at any rate the Bank had to carry a larger holding of rupee securities. Under Section 33(3) of the Reserve Bank of India Act, however, the amount of rupee securities which Issue Department could hold was limited to a maximum of one-fourth of the total assets or R50 crores, whichever was greater, subject to the proviso that the limit could be raised with the previous sanction of the Central Government by R10 crores. In order that the Reserve Bank may have greater freedom in this respect, the Government of India decided to remove this restriction.

This repatriation of India's terminable sterling debt which is the largest single operation of its kind ever carried out in this country, has enabled the Government to reduce its interest charges payable in sterling by as much as 50 per cent as compared with the last six years. In commenting on these operations in his Budget speech of the 28th February 1941, the Finance Member observed– " In my judgment these operations cannot fail greatly to strengthen India's credit. There can be few countries in the world to-day fortunate enough to possess sufficient liquid resources to repatriate a large portion of their external debt, whilst leaving their Central Bank in a position of unchallengeable strength. In relation to the growing resources of India our external debt will now be of remarkably modest proportions. Should a situation ever arise in which India were required to raise capital abroad—a contingency which I for one do not foresee—the fact that our existing external

liabilities are so small would obviously be of the greatest importance in determining the rate of interest which we would be required to pay." Equally important was the incidental help given by these operations to the borrowing programme of the British Treasury, as the greater part of the funds disbursed to the British holders of India sterling loans were probably re-invested in the British Defence loans.

The details of the above operations were announced to the public in a Press Communiqué issued on the 28th April 1941. On the 8th February 1941 when the vesting order was issued, the face value of outstanding terminable sterling loans was £84 million (R119 crores). Out of this, stock of the face value of roughly £70 million (R93 crores) was surrendered by the 28th April 1941; the balance was probably held by non-residents and hence was not surrendered. Of the total stock surrendered £59 million (R78 crores) was surrendered in the United Kingdom, and the whole of it was paid for in cash, the sterling payment involved being £65 million equivalent to R86·66 crores, while £10·62 million (R14·16 crores) was surrendered in India, and only a small fraction of it (of the face value of £700,000 or R93·33 lakhs) was paid for in cash, the cash payment in rupees being less than R1½ crores. The balance of the stock surrendered in India was exchanged for rupee counterparts. The total rupee finance involved in these operations was of the order of R88 crores for stock of the value of some R80 crores in round figures. Of this R88 crores, roughly half was paid for by the issue of rupee counterparts to the Reserve Bank and half from Government's balances with the help of temporary ways and means advances from the Bank.

Four Provincial Governments, *viz.*: Madras, the Punjab, the United Provinces and Assam issued loans during the year under review. The loans carried interest at 3 per cent per annum and were repayable in 1952 at par. The Madras loan was for R70 lakhs and was issued at R95 per cent. The amount of the loan was to be utilised for capital expenditure on electrical schemes, irrigation works and advances to local bodies and agriculturists. The Punjab loan was for R175 lakhs issued at R94-8 per cent. The loan was to be devoted to the same purposes as those for which the Madras loan was raised. The amount of the United Provinces loan was R100 lakhs and the issue price was R94-8. The loan was to be used entirely for productive purposes such as capital expenditure on hydro-electric grid and State tube-wells scheme and the extension of the Sarda Canal. The Government of the United Provinces, besides, issued under the U. P. Encumbered Estates Act, 3½ per cent Bonds of the aggregate nominal value of R58,800. The amount of the Assam loan was R50 lakhs issued at R94 per cent. The amount was to be used to fund floating debt, to undertake beneficial schemes involving large capital expenditure and to grant loans to local bodies for improving the water supply in urban areas. The Madras loan was fully subscribed, but subscriptions for the other loans were completed by under-writers taking up a part of the issues.

Fixed-yield Industrial Securities.--The index number of prices of these securities (1927-28=100), which stood at 141 at the end of 1939-40—a record level then--improved further to 143 in April and May 1940. There was a temporary recession in the following month in sympathy with the fall in the values of gilt-edged securities. From July onwards, however, the

index rose steadily up to the close of the year and attained a fresh record of 159 in March 1941. The average index of prices of these securities during the year under review was 147, as compared with 144 in 1939-40.

Variable-yield Securities.—The trend of these securities has already been discussed when dealing with industrial conditions, and here a brief description of the movement of the index of their prices may suffice. The index which stood at 122 at the close of 1939-40, improved to 123 in April 1940, but fell sharply by successive stages, to 109 in August 1940. Thereafter a general recovery in the share values commenced, and the index rose more or less steadily, until it reached the level of 124 in March 1941.

Trading Conditions.—The remarkable improvement in India's foreign trade position witnessed after the outbreak of war was not fully maintained during the year under review and the recorded values of both exports and imports were lower than in the preceding year. The spread of war in Europe and the Middle East meant the virtual cessation of trade with a number of countries, while trading with countries which were still open was subjected to most trying conditions arising from an acute shortage of shipping. a phenomenal rise in freights and insurance rates, the complicated net-work of exchange and trade restrictions set up in almost every country and, above all, the uncertainty created by the political situation in Eastern countries. The shrinkage in foreign trade was in part an outcome of these factors, but before a balanced view can be obtained, the following factors must be taken into account. In the first place, the relatively greater reduction in exports was partly due to the price factor. The blockade of a highly industrialised area like Europe affected the demand for raw materials to a much greater extent than that for industrial products and this in addition to the fact that unlike export values, import values were inclusive of freight and insurance tended to depress the prices of exported articles in comparison with those of imported articles. Moreover, the shortage of freight space itself naturally affects the value of exports much more than that of imports as the latter are mainly composed of industrial products and, therefore, occupy less space per unit of value. But it must be remembered that since the outbreak of war, exports from India by Government for defence purposes are not recorded in the trade returns and since India has been exporting vast quantities of materials and foodstuffs to different theatres of war, the actual value of exports is considerably higher than the recorded figures. Thirdly, during the year under review, a large part of the loss due to the closure of European markets was made good by increased exports to Empire countries and the U. S. A. During 1940-41, exports of Indian merchandise to Empire countries amounted to R1,16,64 lakhs as compared with R1,14,06 lakhs in 1939-40 and R85,37 lakhs in 1938-39. Similarly, exports to the United States increased from R13,88 lakhs in 1938-39 to R24,42 lakhs in 1939-40 and R25,90 lakhs in 1940-41. A remarkable increase has been recorded in the exports to China which went up from R2,47 lakhs in 1938-39 to R8,50 lakhs in 1939-40 and R9,96 lakhs in 1940-41. Fourthly, one must not overlook the remarkable increase which took place in the domestic consumption of certain commodities during the same period. Raw cotton is a case in point. The producers of such commodities were at least partly compensated for their loss of export markets. What was more important was

that in some cases the increase in domestic consumption was itself due to the shrinkage of foreign trade, in so far as the reduction in imports afforded additional protection to Indian industries or the fall in the prices of certain raw materials increased the profit margin of manufacturers. It may be added, lastly, that while, in terms of recorded value, the export trade of India in 1940-41 was no doubt smaller than in 1939-40, it was nevertheless higher than in 1938-39 and in 1937-38. The total value of India's exports to all countries including Burma in the year under review amounted to R187 crores as compared with R204 crores in the preceding year and R163 crores in 1938-39. The value of imports showed a relatively smaller reduction, amounting to R157 crores as against R165 crores in 1939-40 and R152 crores in 1938-39. As said above, the nominal balance of trade in merchandise was adversely affected; the total favourable balance of trade for 1940-41 amounted to R42 crores as compared with R49 crores in 1939-40, though it still remained considerably higher than in 1937-38 or 1938-39 when it amounted to R16 crores and R17 crores respectively.

The following table shows the changes in India's export trade in the main commodities:

Export trade of British India (excluding Burma) in respect of the principal commodities.

(In crores of Rupees.)

Export of Merchandise.	1937-38	1938-39	1939-40	1940-41	Increase (+) or decrease (—) in 1940-41 as compared with	
					1939-40	1938-39
1. Grain, pulse and flour.	9·49	7·74	5·09	3·92	+0·83	—1·82
2. Tea . .	24·39	23·29	26·31	27·75	+1·44	+4·46
3. Hides and skins, raw.	5·04	3·85	4·11	3·14	—0·97	—0·71
4. Seeds (including nuts for oils).	14·19	15·09	11·90	10·05	—1·85	—5·04
5. Cotton, raw and waste.	29·77	24·67	31·04	24·46	—6·58	—0·21
6. Jute, raw .	14·72	13·40	19·83	7·85	—11·98	—5·55
7. Jute manufactures .	29·08	26·26	48·72	45·38	—3·34	—19·12
8. Others . . .	54·24	48·41	56·92	62·31	+5·30	+13·82
GRAND TOTAL . .	180·92	162·79	203·92	186·86	—17·06	+24·07

It will be seen that the largest reduction in exports was under raw jute, the exports of which fell from R20 crores in 1939-40 to R8 crores in 1940-41. This reduction took place at a time when the cultivator had harvested a record crop and the home market had been severely reduced owing to the restriction

of output in the jute mill industry. The fall in the exports of jute manufactures was not so heavy, amounting to R3 crores as against R12 crores in the case of raw jute. This is easily explained by the fact that while raw jute was dependent on Continental markets for more than 50 per cent of its total exports, only a small fraction of the total exports of jute manufactures was sent to those countries. Shipments of raw cotton and waste were also affected by war conditions and amounted to R24 crores only or 21 per cent less than in the preceding year. Among oilseeds, the exports of castorseed and rapeseed and those of linseed were higher as compared with the preceding year (though in the case of linseed the exports were nearly 25 per cent less than in 1938-39), but the improvement under these heads was more than offset by a reduction of 38 per cent in the shipments of groundnuts with the result that the total exports of oilseeds fell off by 17 per cent. The circumstances which led to this severe fall in the exports of groundnuts have been fully described above. The fall in oilseeds exports was partly compensated by an increase in the exports of vegetable oils, though it must be added that the other oilseeds product, namely, oilcakes, fared very badly ; the exports of oilcakes during 1940-41 were valued at R84 lakhs only as against R203 lakhs in the preceding year and R301 lakhs in 1938-39. Coffee was another article which suffered similarly, being deprived of nearly 70 per cent of its export trade as a result of the war. In 1940-41, only 52,000 cwts. of coffee were exported from British India as against 168,000 cwts. in 1939-40 and 185,000 cwts. in 1938-39. During the year under review, British India was able to export only 7,000 tons of raw hides as compared with 12,000 tons exported in the preceding year and 15,000 tons in 1938-39. Exports of raw goat skins, however, were fully maintained as both the principal export markets, namely, the United States and the United Kingdom. were still open. In spite of the larger offtake by the United Kingdom, the quantity of tea exported from British India declined by 10 million lbs., but owing to the higher prices realised, even the reduced quantity was valued at R1,44 lakhs higher than in the preceding year. Rice, not in the husk, was another important article which recorded a decrease in quantity accompanied by an increase in value. Exports of wheat, on the other hand, registered a substantial increase in both quantity and value, mainly because of larger offtake by Near Eastern markets, the increase in quantity being more than five and a half times and that in value nearly five times as compared with the preceding year.

The trade in industrial products provided a heartening feature of the export trade situation. With the virtual cessation of supplies from Europe, the Eastern countries were compelled to divert a part of their demand for industrial articles to India and this offered a splendid opportunity to India to develop an export trade in such articles. The exports of cotton piecegoods from India made a great headway during the year, rising by more than R4½ crores to R10·64 crores which was their highest level for more than a decade. Several other industrial articles such as boots and shoes, building and engineering materials, chemicals, paper and pasteboard, rubber manufactures, manufactured tobacco, etc. recorded varying increases. As said above, jute manufactures were an exception to the general trend, but on the whole industrial articles seem to have enjoyed satisfactory trading conditions during the year under review.

General.

The following table gives the total value of the import trade under important articles :—

(In crores of Rupees)

Imports of Merchandise.	1937-38	1938-39	1939-40	1940-41	Increase (+) or decrease (—) in 1940-41 as compared with 1939-40	Increase (+) or decrease (—) in 1940-41 as compared with 1938-39
1. Provisions and oilman's stores	2·60	2·48	2·63	2·26	—0·37	—0·22
2. Sugar	0·19	0·46	3·32	0·36	—2·96	—0·10
3. Cotton raw and waste	12·13	8·51	8·05	9·47	+1·42	+0·96
4. Chemicals, drugs and medicines	6·06	5·62	7·50	8·07	+0·57	+2·45
5. Cutlery, hardware implements and instruments (excluding electrical instruments and apparatus)	6·54	5·81	5·57	5·05	—0·52	—0·76
6. Dyes and colours	4·99	4·06	4·67	6·37	+1·70	+2·31
7. Machinery including belting for machinery	17·98	19·72	15·37	11·84	—3·53	—7·88
8. Paper, pasteboards, stationery	4·16	3·70	4·11	4·51	+0·40	0·61
9. Cotton yarn and manufactures	15·55	14·15	14·05	11·35	—2·70	—2·80
10. Other yarns and textile fabrics	11·74	7·08	8·75	9·85	+1·10	+2·77
GRAND TOTAL	173·79	152·37	165·28	156·79	—8·49	+4·42

In most of the cases in which an increase in value has been recorded in the above table, the increase was either accompanied by a decline in quantity or was out of proportion to the increase in quantity. The rising trend of production in the cotton mill industry necessitated larger imports of raw cotton mainly from African sources. Under chemicals, India was able to obtain increased supplies of sodium bichromate, sulphur, sodium carbonate and sodium hydrosulphite, but the imports of most of the other chemicals were reduced. During the first few months of war, considerable anxiety was felt in India about the supplies of coal-tar dyes which is an essential article for the textile industry and of which Germany was the predominant supplier in the pre-war period. The gap was, however, quickly filled by increased imports from other sources such as the U. K., the U. S. A. and Japan with the result that the total imports of coal-tar dyes in 1940-41 amounted to 13·3 million lbs. as against 12·8 million lbs. in the preceding year and 12·0 million lbs. in 1938-39. The increase in value was very much greater in proportion to the increase in quantity, the imports in 1940-41 being valued at R4·55 crores which was 59 per cent higher than in 1939-40 and 73 per cent higher than in 1938-39. With the exception of the United Kingdom, most of the important suppliers were hard currency countries. The Government of India, therefore, decided to license the imports of dyestuffs from the

hard currency countries from December 1940. With the cessation of competition from the Scandinavian countries, supplies of paper and pasteboard from Canada and the U. S. A. increased by leaps and bounds, and still the total imports amounted to only 2·1 million cwts. in 1940-41 as against 2·7 million cwts. in the preceding year. The decrease in quantity was, however, completely masked by the rise in prices, the total value of imports being R 48 lakhs higher than in 1939-40. The principal articles which registered decreases in value were machinery, cotton yarn and fabrics, sugar, cutlery, hardware, implements and instruments, and provisions. Imports of machinery were reduced to R12 crores in 1940-41 as compared with R15 crores in the preceding year and R20 crores in 1938-39. In view of the phenomenal rise in the prices of machinery, the decrease in the volume of trade under this head was much greater than would appear from these figures. This was a definite handicap for Indian industries. On the other hand, the decrease in the imports of cotton yarn and manufactures was a welcome development, from the point of view of the Indian cotton textile industry. Among other textile manufactures, receipts of artificial silk yarn from Japan have increased severalfold during the last two years. From 6·5 million lbs. in 1938-39, they went up to 21·9 million lbs. in 1939-40 and further to 32·5 million lbs. in 1940-41. This, combined with the rise in prices, raised the value of imports of textile manufactures other than cotton by R1,10 lakhs in 1940-41 as compared with 1939-40. The net result of all the changes described above was a fall in India's import trade during 1940-41 by R8,49 lakhs as compared with the preceding year.

The following table analyses India's foreign trade during the four years 1937-38 to 1940-41 according to economic classes :—

(In crores of Rupees)

—	Imports of foreign merchandise into British India				Exports of Indian merchandise from British India			
	1937-38	1938-39	1939-40	1940-41	1937-38	1938-39	1939-40	1940-41
I. Food, Drink and Tobacco .	21·9	24·0	35 3	23·8	41·2	39·1	39·6	41·7
II. Raw Materials and Produce and Articles mainly unmanufactured	40·9	33 2	36·1	41·9	81·4	73·3	86·0	61·9
III. Articles wholly or mainly manufactured	108 1	92 7	91 8	89 5	55·3	47·6	76·0	81·2
IV. Living Animals . .	0 3	0 3	0 2	0 1	0 1	0 1	0·1	0·1
V. Postal Articles and Baggage not specified.	2 6	2 1	1·9	1·5	2·9	2 7	2·2	2·0
TOTAL	173·8	152 3	165·3	156 8	180 9	162 8	203·9	186·9

The table reveals certain remarkable changes in the composition of India's foreign trade. It is characteristic of a period when a country's industrial advance is proceeding at an accelerated pace, that there should be on the one hand an increase in the exports of manufactured articles accompanied by a decrease in their imports and on the other hand an increase in the imports of

raw materials coupled with a decrease in their exports. An increase in industrial production places a country simultaneously in a position to reduce its intake of foreign industrial products, to utilise a larger quantity of its own raw materials at home and to consume additional supplies of raw materials from abroad. It will appear from the above figures that during 1940-41 this trend was prominently in evidence. Comparing 1940-41 with the preceding year, imports of manufactured articles decreased from R91,79 lakhs to R89,48 lakhs, while their exports increased from R76,01 lakhs to R81,24 lakhs; simultaneously, imports of raw materials increased from R36,13 lakhs to R41,95 lakhs, while their exports fell off from R85,99 lakhs to R61,88 lakhs. These changes have been the outcome of a large number of factors which have been already explained above; all that is intended to show here is that they have also been in conformity with certain *a priori* expectations regarding the effects of one of those factors, namely, industrialisation.

Reference has already been made above to the important changes which have taken place in the direction of India's overseas trade since the outbreak of war. The position is summarised in Table A in Chapter IV. While the United Kingdom continues to hold the largest share in India's foreign trade, both imports from and exports to that country declined heavily during the year under review. The loss suffered in respect of the United Kingdom market was, however, more than made up on the export side by increased offtake by other Empire countries, imports from which also increased. That, with the progress of war, India's export trade is being increasingly diverted to inter-imperial channels can be further illustrated by the fact that the percentage share of the British Empire in the total exports (including re-exports) from India has advanced from 52 per cent in 1937-38 and 53 per cent in 1938-39 to 56 per cent in 1939-40 and 61 per cent in 1940-41. India's balance of trade with the British Empire has also improved from R4 crores in 1937-38 and R2 crores in 1938-39 to R 26 crores in 1939-40 and R 31 crores in 1940-41. As regards foreign countries, it will be observed that while trade with Europe has dwindled to a very small figure, the United States has now emerged as an important market for Indian goods and an important supplier of goods to India. In point of relative importance, the United States now ranks next to the United Kingdom and Burma in the import trade and next to the United Kingdom in the export trade. Japan, which has thus been superseded, has steadily reduced her offtake of Indian goods in the last few years, exports including re-exports to Japan declining from R19 crores in 1937-38 to only R9 crores in 1940-41. It is worth noting that in spite of the control over imports, imports from both these hard currency countries, the United States and Japan, have increased much more than our exports to them, thereby affecting the balance of trade position. India's favourable balance of trade with the United States which was R6 crores in 1937-38 and R4 crores in 1938-39, improved to R12 crores in 1939-40 but fell sharply to R5 crores in 1940-41. Similarly, the adverse balance with Japan deteriorated to R13 crores in 1940-41, as against R5 crores in 1939-40 and R3 crores in 1937-38. In 1938-39, the position was even. Further details of the changes in the direction of overseas trade will be found in Chapter IV. It is possible that some of these changes may become permanent features of India's foreign trade, though much depends on the conditions in the post war period.

General.

Balance of Trade.—In dealing with India's exchange position, the balance of trade was considered for India and Burma together, as these countries form one unit for currency and exchange purposes. But in discussing India's trade position, it may be interesting to show the balance of trade of India (proper) excluding Burma. The following table shows the trade in merchandise and treasure (both private) for the last five years :—

—	(In R lakhs)				
	1936-37	1937-38	1938-39	1939-40	1940-41
Exports of Indian Merchandise (private) . .	+185,05	+180,93	+162,79	+203,92	+1,86,86
Re-exports of Foreign merchandise (private) . .	+7,24	+8,28	+6,42	+9,65	+11,81
Imports of Foreign merchandise (private) (a) . .	—141,10	—173,33	—151,83	—164,75	—156,54
Balance of Trade in merchandise (private) . .	+51,19	+15,88	+17,38	+48,82	+42,13

NOTE.—The sign + means net exports and the sign — net imports.

(a) Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and was not therefore taken into account in arriving at the balance of trade.

The merchandise balance of trade in favour of India decreased to R42,13 lakhs, as compared with R48,82 lakhs in the preceding year but showed an increase of R24,75 lakhs as compared with 1938-39. *It must, however, be noted that exports do not include the value of stores exported abroad for Defence purposes. Similarly imports also do not take into account goods imported for Defence Services in India, but the exclusions on the export side are the more serious statistical omission.*

India's net exports of gold amounted to R11,47 lakhs, as compared with R34,68 lakhs in the previous year and R13,06 lakhs in 1938-39. Imports of silver were also lower at R1,62 lakhs, compared with R4,74 lakhs in the preceding year and R1,75 lakhs in 1938-39. The balance of transactions in treasure was, therefore, R10,17 lakhs as compared with R30,28 lakhs in the preceding year and R11,89 lakhs in 1938-39. If the transactions in treasure are added to those in merchandise, the total visible balance of trade in favour of India amounts to R52,30 lakhs, as against R79,10 lakhs in 1939-40, and R29,27 lakhs in 1938-39.

The Quantum of Trade of India.—With the separation of Burma the figures of the quantum of trade which were calculated from 1927-28 to 1936-37 could no longer be used to illustrate the changes in the volume of trade of India proper. The labour involved in recalculating these figures for all the years from 1927-28 would be enormous and it has not been possible to undertake it. Figures on the basis of India proper have, however, been calculated for the last seven years and for 1927-28 which was the base year of the earlier series and are given in the table below. These statistics are necessarily approximate, being estimates based on an examination of only a part of India's foreign trade.

Year	Quantum of Exports	Quantum of Imports
	R (crores)	R (crores)
1927-28	291·9 (100·0)	254·7 (100·0)
1935-36	261·0 (89·4)	232·6 (91·3)
1936-37	320·7 (109·9)	219·4 (86·1)
1937-38	301·0 (103·1)	243·7 (95·7)
1938-39	295·5 (102·2)	226·0 (88·7)
1939-40	308·9 (105·8)	230·5 (90·5)
1940-41	260·3 (89·2)	183·6 (72·1)

As far as can be judged from these approximate figures, it seems that during the year under review, the import trade suffered a relatively greater reduction in volume than the export trade, the reduction being 20 per cent in the case of the former and 16 per cent in the case of the latter as compared with the previous year. In terms of value, on the other hand, the reduction was greater in the case of exports, amounting to 8 per cent as compared with 5 per cent in the case of imports. This is partly explained by the divergent trends of the prices of imported and exported articles, the former having risen to a much greater extent than the latter.

Inland Trade. The following table shows the quantity of inland trade in certain important articles from 1933-34. Figures for earlier years are not available as the collection of inland trade statistics was only resumed in that year.

Inland Trade.

(Figures in 000 mds.)

— —	1933-34	1934-35	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41
Cotton, raw	20,516	21,474	22,574	29,207	19,165	19,538	20,712	20,914
Cotton piecegoods	9,441	9,698	10,132	10,521	11,190	11,077	11,294	12,761
Grain, pulse and flour	107,103	125,270	115,333	129,235	131,900	131,272	143,356	136,132
Hides and skins, raw	2,691	2,432	2,506	2,157	2,970	2,679	3,383	2,943
Jute, raw	32,077	25,390	29,034	38,225	32,574	31,497	32,767	28,073
Gunny bags and cloth	4,478	4,267	4,511	5,152	5,336	5,218	5,484	5,856
Oil seeds	46,650	30,311	35,607	43,777	39,646	50,063	43,775	39,349
Sugar (including gur, rab, etc.)	29,152	27,915	31,261	40,391	39,485	38,076	28,949	38,403

It may be added, however, that the figures in the above table must not be taken as a conclusive evidence of the state of the total internal trade, because the figures represent only the rail and river-borne traffic in a few of the vast number of articles which enter into the inland trade of India. Perhaps a more satisfactory indication of the state of

internal trade activity is furnished by the statistics of railway earnings and traffic which are given in the following table :—

Statement showing gross earnings and total wagons loaded from 1928-29 to 1940-41.

Year	Gross earnings State-owned Railways (excluding Burma Railways).	Total wagons loaded*
	R (crores)	(000)
1928-29	99·61	6,993
1929-30	97·53	6,898
1930-31	90·40	6,632
1931-32	82·54	6,098
1932-33	82·11	5,996
1933-34	84·64	6,489
1934-35	87·24	6,850
1935-36	88·36	6,962
1936-37	92·04	6,900
1937-38	94·85	7,161
1938-39	94·36	7,225
1939-40	98·44	7,509
1940-41	112·18	7,589

* These include Burma Railway figures up to 1935-36.

The gross earnings of State Railways during the year under review exceeded the total for the previous year by R14 crores and were higher than in any year since 1928-29. Similarly, the total number of wagons loaded in 1940-41 were the highest recorded in the last thirteen years. The increase in internal trade activity which came about after the outbreak of war mainly accounts for this remarkable improvement in railway traffic during the last two years.

Trade Restrictions. Table 48 in Part II of this Review shows the quantity and value of the exports from British India of important commodities subjected to export restrictions, during the three years ending 1940-41 and Table 49 shows the value of imports into British India of important commodities subjected to import restrictions, during the two years 1939-40 and 1940-41. The system of export restrictions was introduced shortly after the outbreak of war. Its object was two-fold, namely, to ensure that supplies did not reach the enemy by indirect channels and to conserve supplies of all essential articles, whether for the requirements of this country or those of the Allied Powers. Exports of certain articles were completely prohibited and those of certain others were permitted only under licence. In cases where the ruling considerations were those relating to economic warfare rather than to supply problems, it was provided that no licences were required if the articles were consigned to or destined for any part of the British Empire including Mandated Territories. The system of export restrictions underwent many changes during the year under review. The exact scope of the system as it stands at the time of writing (30th June 1941) will be found in the Government of India, Department of Commerce, Notification No. 91-C.W. (6)/41, dated the 14th June 1941, which superseded the earlier Notification

No. 65-C.W.(9)/40, dated the 15th May 1940, and which is given in Appendix I.

Import restrictions were introduced on the 20th May 1940, with the object of conserving the foreign exchange resources of the country. The list of commodities affected by the restrictions originally covered 68 items among which the most important were sugar, raw cotton, motor vehicles and silk piecegoods. The list was later extended, the principal additions being dyestuffs, potassium bichromate, iron and steel, provisions and oilman's stores, aluminium, paints and colours, paper and pasteboard and newsprint. The commodities were selected as being among those the consumption of which could be kept within limits without damage to any essential interest, having regard in particular to the extent to which supplies from some countries could be replaced by Indian products or by goods imported from other countries in respect of which the foreign exchange problem was less acute. The object was not to prohibit imports of these commodities altogether but to control them by means of a licensing system. An open general licence was issued for the import of the restricted commodities from countries within the British Empire and certain other territories such as the Portuguese Possessions in India (in so far as the commodities in question were the local produce of the latter). Further details regarding import restrictions will be found in the Government of India, Department of Commerce, Notification No. 1-I.I.C/40, dated the 20th May 1940, as amended by subsequent Notifications, up to the 30th June 1941 which is given in Appendix II.

Tariff Changes. The changes in the tariff made by the various Acts passed during the latter part of 1939 and the early part of 1940, were described in the preceding year's Review. Since then four Acts have been passed introducing certain changes in the tariff.

The Indian Finance Act, 1941, which received the assent of the Governor-General on the 31st March 1941, besides continuing at the same rate the duty on salt, doubled the rates of excise duty on matches in boxes and booklets containing on an average not more than eighty, as detailed below :—

(i) if the average number is forty or less, at the rate of two rupees per gross of boxes or booklets,

(ii) if the average number is more than forty, but not more than sixty at the rate of three rupees per gross of boxes or booklets, and

(iii) if the average number is more than sixty, at the rate of four rupees per gross of boxes or booklets.

The rate of excise duty on mechanical lighters was also increased from one rupee eight annas to three rupees per lighter. The rates of import duty on matches, linked as they are with the excise duties, were also affected by these changes. This Act also enhanced the alternative specific duty on artificial silk yarn and thread from three annas per lb. to five annas per lb. The changes mentioned above came into force from 1st March 1941, under the Provisional Collection of Taxes Act, 1931.

The protective duties on iron and steel manufactures, silver-thread and wire and sugar were due to expire on the 31st March 1941. As it was impossible under the existing conditions to ascertain the quantum of protection, if any,

required during normal years for the different articles, the Protective Duties Continuation Act, 1941, which received the assent of the Governor-General on the 31st March 1941, maintained the *status quo* for another year by extending the existing rates of protective import duty on iron and steel manufactures, silver thread and wire (including so-called gold thread and wire mainly made of silver) and sugar under item Nos. 17, 61(5), 63(2), 63(3), 63(6), 63(9), 63(10), 63(12), 63(15), 63(17), 63(19), 63(20), 63(21), 63(25), 63(27) and 74 of the Import Tariff by another year, *viz.*, up to the 31st March 1942.

Since the passing of the Indian Tariff (Second Amendment) Act, 1940, the Government of India had maintained a careful watch on the course of wheat prices and they were satisfied that, taking all the circumstances into consideration, it was desirable to continue the protective duties on wheat and wheat flour. The Indian Tariff (Amendment) Act, 1941, which received the assent of the Governor-General on the 31st March 1941, accordingly extended the existing import duties on wheat and wheat flour for a further period of one year, *viz.*, up to the 31st March 1942. The existing import duty on broken rice was not extended further and it accordingly lapsed at the end of March 1941.

The Tyres (Excise Duty) Act 1941, which received the assent of the Governor-General on the 31st March 1941, imposed, with effect from the 1st April 1941, a duty of excise at the rate of 10 per cent *ad valorem* on all pneumatic tyres (including the inner tubes and the outer covers of such tyres) in the manufacture of which rubber is used, manufactured in any manufactory in British India and issued out of such manufactory.

In addition to these Acts, the Coffee Market Expansion Ordinance, 1940 (Ordinance No. XIII of 1940), which provides for assistance to the coffee industry by regulating the export of coffee from, and the sale of coffee in, British India and by other means, was promulgated on the 14th December 1940. On the recommendation of the Indian Coffee Market Expansion Board, created under this Ordinance, the Government of India in the Department of Commerce in their Notification No. 335(1)-Tr.(I.E.R.)/40, dated the 18th January 1941, fixed one rupee per cwt. as the rate of excise duty on coffee. Under the Ordinance the excise duty will remain in force only up to 31st August 1941.

Notifications were also issued on the 1st March 1941, by the Government of India in the Finance Department (Central Revenues), enhancing the rates of excise duty on all other matches from 4 annas to 8 annas for every 1,440 matches or fraction thereof and on "Bengal lights" from 5 annas to 10 annas per gross of boxes.

As stated in the last year's Review, the Government of Burma gave notice on the 1st April 1940, to terminate with effect from the 1st April 1941, the Trade Regulation Order governing trade between India and Burma. On the 3rd April 1941, the Governments of India and Burma arrived at a fresh agreement on the principles upon which trade between the two countries was to be regulated. This agreement marks the end of the pre-existent era of free trade between the two countries and inaugurates a regime of mutual preferential treatment. The general principle is that the goods of Indian or Burmese origin will enjoy in the market to which they are exported, a margin of pre-

ference of not less than 10 per cent over similar articles enjoying preferential treatment when imported from the United Kingdom or from the Colonies, and a margin of preference of not less than 15 per cent over similar articles liable to duty at the standard rate. Thus, in the case of articles which are at present subject to either a standard or a preferential rate, and those rates do not exceed 15 per cent and 10 per cent, respectively, the margin of preference will be equal to the existing standard and preferential rates. In a certain number of cases on both sides the contracting countries also guarantee either free entry or entry at guaranteed maximum rates of duty. As regards exports from one country to the other of articles which are liable to excise duty, it is provided in general that the rate of customs duty shall correspond to the level of the excise duty ruling in the country of import.

As against certain concessions granted by Burma, under the Agreement India has agreed : -

(i) that the following goods of Burmese origin shall be accorded free entry

Dyeing and tanning substances ; gums, resins and lac ; gums, arabic, Benjamin (ras and cowrie) and dammer (including unrefined batu) and rosin ; wood and timber ; furniture and cabinetware ; tea chests and parts and fittings thereof ; cotton (raw) ; lacquered-ware ; iron or steel (old) ; iron or steel ; enamelled ironware ; copper (wrought) and manufactures of copper ; copper (scrap) ; German silver including nickel silver ; aluminium ; unwrought ingots, blocks and bars of aluminium ; lead (wrought) ; lead sheet for tea chests ; zinc or spelter (wrought or manufactured not otherwise specified) ; tin (block) ; brass, bronze and similar alloys (wrought and manufactures thereof not otherwise specified) ; all sorts of metals other than iron and steel.

(ii) that the following goods shall be dutiable at special rates not exceeding those shown against the items—

Potatoes and onions 5 per cent ; coffee 10 per cent ; the following spices whether ground or ungrounded, *viz.* cardamoms, cassia, cinnamon, cloves, nutmegs and pepper—10 per cent ; betelnuts 20 per cent ; cutch and gambier, all sorts 5 per cent ; cigars 10 per cent and tobacco (unmanufactured)—one anna per pound.

(iii) that a specific margin of preference of one anna per pound against the preferential rate and of three annas per pound against the standard rate shall be accorded to tea of Burmese origin.

In regard to the tariff treatment of Indian cotton piecegoods exported to Burma, and of Burmese kerosene exported to India, it has been found necessary to regulate them separately. As regards cotton piecegoods, whilst the Agreement provides for a margin of preference of seven and a half per cent only against a general margin of ten per cent over other similar goods entitled to preferential treatment, the Burma Government pledges itself not to fix the duty on such goods at more than 10 per cent. Furthermore, the position of Indian textiles in Burma is strengthened by the retention of the quota on

Japanese goods at its present level. As regards kerosene, whilst the margin of preference is reduced to nine pies as against a former margin of eleven and a quarter pies, the Government of India obtains the right during the period of the war to impose a surcharge equal to the entire margin of preference.

The following special provisions have also been made—

(*a*) The Burma Government undertakes not to impose an export duty on timber during the period of the war. Should it do so, after the war, the Government of India would be free from their obligation to allow free entry.

(*b*) As regards sugar, the Burma Government undertakes to accord special privileges to it when imported from India in so far as the local capacity to meet demand leaves a margin to be filled by imports.

(*c*) Goods which are at present duty free from whatever country imported will be retained on the free list and no duty will be levied in India on these commodities when imported from Burma so long as they are allowed to be imported free of duty from other countries. In the case of broken rice, however, the Government of India has given an undertaking that if a duty is re-imposed a preference not in excess of 10 per cent or the amount of duty whichever is less will be granted on imports from Burma.

The tariff concessions granted by the Government of Burma to goods from India were given effect to by that Government in their Commerce and Industry Department Notification No. 64, dated the 6th April 1941. As regards the concessions granted by the Government of India to Burmese goods, the Government of India, Finance Department (Central Revenues), Notification No. 33-Customs, dated the 7th April 1941, exempted all goods of Burmese origin except kerosene, steel ingots and articles manufactured therefrom, salt, motor spirit, rubber tyres and goods specified in item 40 of List II of the Seventh Schedule to the Government of India Act, 1935, from payment of import duty on their entry into India. The exemption from payment of import duty sanctioned under this Notification in respect of steel ingots and articles manufactured therefrom was to the extent of so much as exceeds the amount of refund payable on export from British India on similar goods produced or manufactured therein under Section 7 of the Iron and Steel Duties Act, 1934 (XXXI of 1934). In respect of the other articles specified above, except kerosene, the position regarding which has already been explained separately, the exemption granted is to the extent of so much as is in excess of the excise duty leviable for the time being on similar goods produced in British India. This Notification was however superseded by the Government of India, Finance Department (Central Revenues) Notification No. 39-Customs, dated the 7th June 1941, which gave full effect to all the provisions of the Indo-Burma Trade Agreement mentioned above.

CHAPTER II.

Imports of Merchandise.

The following table shows the comparative importance of the principal articles imported into British India :—

Imports.

(In thousands of Rupees)

—	1938-39	1939-40	1940-41	Percentage on total imports of merchandise in 1940-41
Cotton and cotton goods	22,66,20	22,10,20	20,82,32	13·28
Grain, pulse and flour	13,76,46	21,80,54	14,34,85	9·15
Machinery and millwork	19,04,78	14,66,30	11,16,42	7·12
Artificial silk	2,23,62	4,58,62	5,44,36	3·47
Dyeing and tanning substances	3,14 16	3,60,78	5,30,14	3·38
Instruments, apparatus and appliances	5,85,31	5,57,74	4,98,58	3·18
Wool, raw and manufactured	2 81,90	2,16,40	4,28,39	2·73
Paper and pasteboard	3,22,93	3,45,92	3,94,44	2·52
Wood and timber	2,86,69	2,69,73	2,89,33	1·85
Provisions and oilman's stores	2,48,41	2,64,48	2,26,03	1·44
Spices	2,63,43	2,54,50	2,19,30	1·40
Drugs and medicines	2,20,53	2,61,21	2,18 73	1 40
Hardware	2,57,27	2,26,86	2,06,48	1·32
Liquors	2,10 83	2,19,15	2,00,36	1·28
Silk, raw and manufactured	1,94 15	1,82,21	1,71,66	1·10
Rubber manufactures	1,40,56	1,48 42	1,56,00	0·99
Tea chests	90,30	83,39	1,34,45	0·86
Tobacco	1,01,55	1,16,97	1,33,95	0·85
Paints and painters' materials	88,99	1,02,65	1,02,31	0·65
Fruits and vegetables	1,34,43	1,21,28	1,02,16	0·65
Glass and glassware	1,25,12	1,01,77	86,26	0·55
Manures	1,05,17	1,25,15	79,67	0·51
Building and engineering materials	62,18	56 76	66,41	0·42
Belting for machinery	49,11	52 88	62,25	0·40
Stationery	67,04	64,70	56,98	0·36
Toilet requisites	60,06	64,59	56,76	0·36
Arms, ammunition and military stores	50,17	48,99	48,44	0·31
Bobbins	37,92	37,89	47,90	0·31
Salt	37,80	61,99	47,72	0·30
Books, printed, etc.	58,92	53,69	41,32	0·26
Haberdashery and millinery	46,52	43,46	41,02	0·26
Sugar	45,58	3,31,58	36,10	0·23
Matches	23,52	24,67	35,84	0·23
Apparel	47,50	37,95	34,36	0·22
Earthenware and porcelain	39,19	35,68	30,42	0·19
Precious stones and pearls, unset	1,15,03	87,81	29,81	0·19
Gums and resins	30,13	27,23	26,65	0·17
Clocks and watches and parts	42,63	35,99	26,11	0·17
Tallow and stearine	32,10	32,33	24,94	0·16
Cutlery	25,64	22,38	20,93	0·13
Toys and requisites for games	37,80	32,62	19,83	0·13
Umbrellas and fittings	14,87	17,20	19,80	0·12
Soap	22,44	23,67	18,39	0·12
Flax, raw and manufactured	17,96	14,44	16,39	0·10
Paper making materials	27,39	23,64	12,69	0·08
Furniture and cabinetware	15,95	12,71	12,69	0·08
Tea	15,73	15,96	12,59	0·08
Jute and jute goods	5,93	6,78	9,93	0·06
Fish (*excluding* canned fish)	6,89	7,80	6,61	0·04
Animals, living	30,72	15,68	5,69	0·04
Jewellery, also plate of gold and silver	8,25	8,83	4,25	0·03
Boots and shoes	15,45	10,35	3,05	0·02
All other articles	43,95,00	49,45,19	54,47,54	34·75
TOTAL VALUE OF IMPORTS	152,36,71	165,23,21	156,79,40	100

Imports.

Cotton Manufactures (R11,35 lakhs).—Imports of cotton manufactures into British India were valued at R11,35 lakhs during 1940-41 as compared with R14,05 lakhs in the preceding year and showed a decline of 19 per cent. Particulars of the values of the different classes of cotton manufactures imported during the past three years are shown below :—

	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Twist and yarn	2,98	3,52	2,18
Piecegoods—			
Grey (unbleached)	3,07	2,83	2,33
White (bleached)	3,30	2,84	2,05
Coloured printed or dyed	3,90	3,98	3,70
TOTAL PIECEGOODS	10,27	9,65	8,08
Hosiery	18	12	18
Handkerchiefs and shawls	4	5	13
Thread	46	43	54
Other sorts	27	28	24
GRAND TOTAL	14,15	14 05	11,35

Imports of twist and yarn declined in quantity from 41 million lbs. in 1939-40 to 19 million lbs. in 1940-41 or by 54 per cent. the corresponding decrease in value being from R3,52 lakhs to R2,18 lakhs or 38 per cent. The average declared value per lb of imported twist and yarn rose from 13 as. 8 p. in 1939-40 to R1-2 as.-3 p. in the year under review. The following table shows the imports of twist and yarn and the production thereof in Indian mills, classified according to counts, in the past three years :

—	1938-39		1939-40		1940-41	
	Imports	Production	Imports	Production	Imports	Production
	lbs. (000)	lbs. (000)	lbs (000)	lbs (000)	lbs (000)	lbs. (000)
Cotton twist and yarn—						
Nos 1 to 20	618	688,030	844	668,960	1,622	772,372
,, 21 to 25	58	190,960	86	173,583	1	175,108
,, 26 to 30	230	150,549	123	137,809	106	136,820
,, 31 to 40	5,948	167,747	3,199	157,308	785	159,295
Above No 40	5,548	91,613	7,318	81,755	2,387	88,457
Two-folds (doubles)	24,039	—	29,547	—	13,219	—
Unspecified descriptions	18	14,547	15	15,458	1,215	16,987
TOTAL	36,459	1,303,246	41,132	1,234,873	19,335	1,349,039

Cotton piecegoods.

It will be observed that imports consisted largely of two-folds (doubles) arrivals of which totalled 13·2 million lbs. and represented 68 per cent of the total quantity of twist and yarn imported during the year under review as against 29·5 million lbs. or 72 per cent in 1939-40. With the exception of counts Nos. 1 to 20, imports of all other descriptions were very much reduced. There was, however, a general increase in the Indian production of twist and yarn which reached a record figure in the year under review.

Of the total quantity imported Japan supplied 61 per cent as against 66 per cent in the preceding year; the share of China also dropped from 26 to 18 per cent. The United Kingdom, however, maintained her position at 7 per cent. The remainder came mostly from the United States of America which supplied to the extent of 2·3 million lbs. or 12 per cent in 1940-41. The following table shows the details:-

Imports of cotton twist and yarn and percentage shares of the principal countries in the total imports.

	Quantity			Value		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	lbs.	lbs.	lbs.	R	R	R
From—	(000)	(000)	(000)	(lakhs)	(lakhs)	(lakhs)
United Kingdom	4,681	2,829	1,297	49	32	20
	(13%)	(7%)	(7%)	(17%)	(9%)	(9%)
Japan	21,160	27,161	11,822	1,77	2,42	1,35
	(58%)	(66%)	(61%)	(60%)	(69%)	(62%)
China (including Hongkong)	10,579	10,841	3,500	66	75	33
	(29%)	(26%)	(18%)	(23%)	(21%)	(15%)
United States of America	..	116	2 333	..	1	26
	(..)	(..)	(12%)	(..)	(..)	(12 %)
Other countries	30	182	383	1	2	4
	(..)	(..)	(2%)	(..)	(1%)	(2%)
Total	36,459	41,132	19,335	2,93	3,52	2,18
				R.a.p.	R.a.p	R.a p.
Declared value per lb.	—	—	—	0-12-10	0-13-8	1-2 8

Imports of cotton piecegoods into British India totalled 447 million yards in 1940-41 and showed a decrease of 132 million yards or 23 per cent as

compared with the preceding year. The value of these imports declined by 16 per cent from R9,65 lakhs to R8,08 lakhs. The decrease was distributed over all the three main descriptions of piecegoods, the fall in white and grey goods being comparatively greater than in coloured goods. Imports of the three descriptions of piecegoods during the last three years, distinguishing the shares of the United Kingdom and Japan together with the percentage variations of the imports in 1940-41 as compared with 1939-40 and 1938-39 are set forth in the following table:

Imports of cotton piecegoods	Quantity			Percentage increase (+) or decrease (—) in 1940-41 as compared with 1939-40	Percentage increase (+) or decrease (—) in 1940-41 as compared with 1938-39	Value			Percentage increase (+) or decrease (—) in 1940-41 as compared with 1939-40	Percentage increase (+) or decrease (—) in 1940-41 as compared with 1938-39
	1938-39	1939-40	1940-41			1938-39	1939-40	1940-41		
	Yds. (Millions)	Yds. (Millions)	Yds. (Millions)			R (lakhs)	R (lakhs)	R (lakhs)		
Grey.										
From—										
United Kingdom .	30	9	1	—89	—97	55	19	5	—74	— 1
Japan . .	227	223	168	—25	—26	2,51	2,57	2,22	—14	—12
Total, all countries .	258	236	172	—27	—33	3,07	2,83	2,33	—18	—24
White.										
From—										
United Kingdom .	102	82	33	—60	—68	2,12	1,89	97	—49	—54
Japan . . .	70	43	61	+42	—13	91	65	98	+51	+8
Total, all countries .	179	134	97	—28	—46	3,30	2,84	2,05	—28	—38
Coloured.										
From—										
United Kingdom .	73	54	22	—59	—70	1,96	1,54	92	—40	—53
Japan . . .	128	127	139	+9	+9	1,71	1,91	2,45	+28	+43
Total, all countries .	210	209	178	—15	—15	3,90	3,98	3,70	—7	—5
Total Cotton piecegoods.										
Share of—										
Bengal . . .	249	240	141	—41	—43	3,56	3,54	2,32	—34	—35
Bombay . .	195	178	197	+11	+1	3,22	3,10	3,52	+14	+9
Sind . . .	171	132	92	—30	—46	2,84	2,36	1,78	—25	—37
Madras . . .	32	29	17	—41	—47	65	65	46	—29	—29
Total .	647	579	447	—23	—31	10,27	9,65	8,08	—16	—21

It will be observed that the United Kingdom sustained heavy losses in each of the main classes. The decrease in the case of imports from Japan was confined to grey goods only. Expressed in percentages, imports of grey goods from the United Kingdom fell by 89 per cent over those in 1939-40, the corresponding decline in the case of Japan being only 25 per cent. In white goods, the United Kingdom reduced her supplies by 60 per cent while Japan improved her share by 42 per cent. Under coloured goods, imports from the United Kingdom fell by 59 per cent but those from Japan rose by 9 per cent. It may be mentioned here that imports of printed goods from China which had all on a sudden jumped to 16 million yards valued at R25 lakhs in 1939-40 declined to 13 million yards valued at R19 lakhs in the year under review. The following table shows the declared values per yard of

grey, white and coloured goods imported from the United Kingdom and Japan during the last three years :—

—	Grey		White		Coloured	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
1938-39 . . .	0 2 11	0 1 9	0 3 4	0 2 1	0 4 4	0 2 2
1939-40 . . .	0 3 6	0 1 10	0 3 8	0 2 5	0 4 7	0 2 5
1940 41 . . .	0 8 0	0 2 1	0 4 7	0 2 7	0 6 9	0 2 10

In each of the three main classes the prices of the imports from Japan were relatively on a much lower level than those from the United Kingdom.

Imports of the principal classes of grey, white and coloured goods are detailed below. The figures are in million yards :—

—	1938-39	1939-40	1940-41
Grey (unbleached)—			
Dhuties, saris and scarves . . .	78·8	65 0	30·9
Jaconets, madapollams, mulls, etc. .	5·5	2·9	0·3
Longcloth and shirtings . . .	170·0	165·4	110·8
Sheetings . . .	1·6	1·1	27·5
Drills and jeans . .	0·7	0·3	1·3
Other sorts . . .	1·0	1·0	0·8
Total	257·6	235·7	171·6
White (bleached)—			
Dhuties, saris and scarves . .	1·5	0·8	..
Jaconets, madapollams, mulls, etc. .	109·2	75·4	58·5
Longcloth and shirtings . . .	52 6	44·0	33·0
Nainsooks	1·5	1 0	6·3
Drills and jeans . . .	1·7	2 4	1·8
Checks, spots and stripes .	2·1	1·4	0·3
Twills	4·3	2·9	1·1
Other sorts	6·2	5·8	2 0
Total .	179·1	133·7	97 0

Imports.

	1938-39	1939-40	1940-41
Coloured, printed or dyed—			
Dhuties, saris and scarves . . .	15·8	8·4	2·3
Cambrics, etc.	17·0	15·3	7·9
Shirtings	43·4	57·8	47·2
Prints and chintz	6·2	4·7	2·7
Drills and jeans	68·3	75·1	83·1
Checks, spots and stripes . . .	13·7	4·7	1·6
Twills	8·5	11·4	6·7
Other sorts	37·6	32·2	26·9
TOTAL .	210·5	209·6	178·4

All the descriptions under grey and white goods with the exception of relatively unimportant items, sheetings and drills and jeans under grey recorded decreases. In the coloured sections, however, there was an appreciable increase under drills and jeans while all other classes declined. The following table gives the percentage shares of the United Kingdom and Japan in the imports of piecegoods during the last three years :—

—	GREY		WHITE		COLOURED, ETC	
	United Kingdom	Japan	United Kingdom	Japan	United Kingdom	Japan
1938-39 . . .	11·7	88·2	57·0	39·1	34·7	60·7
1939-40 . . .	3·8	94·7	61·4	32·2	25·6	60·6
1940-41 . . .	0·6	98·0	34·5	63·3	12·2	77·7

The United Kingdom lost considerable ground in all classes of piecegoods to Japan in the year under review.

The quantities of cotton piecegoods as well as the quantity *per capita* available for consumption in India in each year from 1937-38 are shown in the table below. In calculating *per capita* consumption, variations in population from year to year have been allowed for. It should be noted that in making these estimates, no account has been taken of the exports by land and stocks left over from year to year. It should also be remembered that the figures for handloom production are only estimates based on the quantity of yarn available for consumption each year.

Consumption* per capita *of cotton piecegoods and handloom products in India.

Year	Net Imports		Net available mill production		Handloom production		Net available for consumption	
	Actual	*Per capita*	Actual	*Per capita*	Estimated	*Per capita*	Total	*Per capita*
	Yards crores	*Yards*	Yards crores	*Yards*	Yards crores	*Yards*	Yards crores	*Yards*
1937-38 . .	58	*1·61*	384	*10·67*	149	*4·14*	591	*16·42*
1938-39 . .	63	*1·70*	409	*11·05*	192	*5·19*	664	*17·94*
1939-40 . .	56	*1·51*	379	*10·24*	182	*4·92*	617	*16·67*
1940-41 . .	40	*1·08*	388	*10·49*	165	*4·46*	593	*16·03*

Imports of fents increased from 4·1 million lbs. valued at R31 lakhs in 1939-40 to 5·1 million lbs. valued at R41 lakhs in the year under review.

Fents (R41 lakhs).

These consisted almost entirely of cotton fents, imports of which totalled about 5·1 million lbs. (24·7 million yards) as against 4·0 million lbs. (20·2 million yards) in 1939-40. Imports of fents of silk or artificial silk or mixture thereof were very insignificant in 1940-41, while fents of other materials were imported to the extent of 37,000 lbs. as against 75,000 lbs. in 1939-40. Supplies of fents of all descriptions from Japan and the United States of America were on a greater scale being valued at R19 lakhs and R12 lakhs as compared with R14 lakhs and R6 lakhs, respectively, in 1939-40. Imports from the United Kingdom, however, decreased from 1·2 million lbs. to 1·0 million lbs. and in value from R10 lakhs to R8 lakhs.

Imports of sewing thread rose in value from R37 lakhs in 1939-40 to R49 lakhs in 1940-41, of which the United Kingdom supplied to the extent of R47 lakhs as against R32 lakhs in the preceding year. The remainder came chiefly from the United States of America.

Sewing thread (R49 lakhs).

Imports of hosiery, including knitted fabrics advanced in value from R12 lakhs to R18 lakhs. Supplies from Japan were valued at R11 lakhs as compared with R9 lakhs in 1939-40. Imports from the United Kingdom were comparatively small, being valued at R1 lakh as in the preceding year.

Hosiery (R18 lakhs).

Imports of haberdashery and millinery, of which lace and embroidery and ribbons represented R7 lakhs and R1 lakhs respectively, were valued at R11 lakhs in 1940-41 as compared with R13 lakhs in 1939-40. Imports from Japan advanced from R24 lakhs to R25 lakhs. Among other countries, the United Kingdom supplied to the value of R8 lakhs as against R7 lakhs in the preceding year. Consignments from Italy, mainly before her entry into the war, were valued at R2 lakhs, her contribution in 1939-40 being R6 lakhs.

Haberdashery and millinery (R11 lakhs).

Artificial Silk (R5,44 lakhs). The total value of the imports of artificial silk and manufactures advanced from R4,59 lakhs in 1939-40 to R5,44 lakhs in the year under review. Artificial silk yarn was imported to the extent of 33·9 million lbs. valued at R2,65 lakhs as compared with 30·8 million lbs. valued at R2,12 lakhs in the preceding year, showing an improvement of

10 per cent in quantity and 25 per cent in value. Japan retained her leading position and supplied 32·5 million lbs. as against 21·9 million lbs. in 1939-40, while imports from Italy dropped from 8·7 million lbs. to 1·0 million lbs. The average declared value per lb. of imports from Japan and Italy during 1940-41 was 12 as. 6 p. and 12 as. 10 p., the respective figures for the preceding year being 11 as. 6 p. and 9 as. 8 p. Imports of piecegoods, made entirely of artificial silk, fell from 54·3 million yards to 53·5 million yards in quantity but the value rose from R2,11 lakhs to R2,45 lakhs in the year under review. Of these, Japan supplied 51·4 million yards or 96 per cent (R2,27 lakhs) as against 51·6 million yards or 95 per cent (R1,95 lakhs) in the preceding year. The remainder came chiefly from the United Kingdom, imports from that country being valued at R12 lakhs as against R7 lakhs in 1939-40. The declared value, per yard, of imports from Japan was 7 as. 1 p. as compared with 6 as. 1 p. in 1939-40. Imports of goods of artificial silk mixed with other materials totalled 4·8 million yards as compared with 6·7 million yards the value remaining fairly steady at R28 lakhs. Japan reduced her supplies to 4·0 million yards from 5·9 million yards in 1939-40. The remainder came mainly from the United Kingdom (0·5 million yds.) and China (0·2 million yds.). The average declared value, per yard, of the imports from Japan was 7 as. 8 p. and of those from the United Kingdom 15 as. 11 p., as compared with 5 as. 7 p. and 12 as. 9 p., respectively, in the preceding year.

Wool, raw and manufactured (R4,28 lakhs). Imports of wool and woollens were valued at R4,28 lakhs in 1940-41, as compared with R2,16 lakhs in the preceding year and showed an increase of R2,12 lakhs or 98 per cent. The increase was mostly noticeable in the imports of raw wool generally for consumption in Indian mills which totalled 22·9 million lbs. valued at R2,79 lakhs as compared with 7·7 million lbs. valued at R75 lakhs in 1939-40. Supplies from Australia advanced from 1·9 million lbs. (R19 lakhs) to 6·7 million lbs. (R1,07 lakhs) and those from the United Kingdom from 1·9 million lbs. (R23 lakhs) to 3·5 million lbs. (R64 lakhs). A striking feature of the year under review was the importation of a considerable quantity of raw wool from New Zealand which amounted to 11·6 million lbs. valued at R1,05 lakhs as against only 14,000 lbs. valued at R12,000 in 1939-40. Imports of yarn and knitting wool fell from 2·9 million lbs. to 1·8 million lbs. Japan was the leading supplier in this line and sent 1·2 million lbs. of worsted yarn and 340,000 lbs. of knitting wool in 1940-41. Arrivals from the United Kingdom consisted mainly of 115,500 lbs. of knitting wool. Imports of woollen and worsted piecegoods remained fairly steady at 2·4 million yards but there was a slight increase in the weight from 1·1 million lbs. to 1·3 million lbs.; the value, however, rose by 63 per cent from R35 lakhs to R57 lakhs. Receipts from Japan advanced from 1·5 million yards valued at R14 lakhs to 2·0 million yards valued at R41 lakhs. There were reduced imports from the United Kingdom which amounted to 330,600 yards valued at R15 lakhs. Imports of woollen goods mixed with other materials declined in quantity from 1·2 million yards to 0·9 million yards but rose in value from R16 lakhs to R17 lakhs in the year under review. The United Kingdom supplied 631,000 yards valued at R12 lakhs as against 698,000 yards valued at R9 lakhs in 1939-40. Supplies from Japan were larger than in the preceding year and were valued at R5 lakhs in the year under review.

Machinery and Millwork.

Imports of foreign carpets and floor rugs were valued at R4 lakhs in 1940-41 as against R2 lakhs in the preceding year. Of the total value of these imports in the year under review, Iran supplied to the extent of R2 lakhs or 50 per cent. The remainder came mainly from the United Kingdom and Iraq almost in equal proportion.

Imports of shawls and lohis, almost entirely from Japan, numbered 74,000 valued at R3 lakhs as against 149,000 valued at R4 lakhs in the preceding year.

Imports of blankets and rugs, other than floor rugs, declined sharply from 1·7 million lbs. valued at R12 lakhs to 74,000 lbs. valued at a little over R1 lakh in 1940-41. Supplies from the United Kingdom were valued at R73,000 and those from Italy R30,000.

Imports of woollen hosiery were valued at R6 lakhs in 1940-41 as against R10 lakhs in the preceding year. The trade was evenly distributed between the United Kingdom and Japan, consignments from these countries being valued at R3 lakhs each.

Silk, raw and manufactured (R1,72 lakhs).—The total value of the imports of silk, raw and manufactured receded further to R1,72 lakhs in the year under review. Imports of raw silk declined in quantity from 2·0 million lbs. in 1939-40 to 1·7 million lbs. in the year under review, but rose in value from R63 lakhs to R76 lakhs. China continued to be the principal source of supply; her contribution remained fairly steady at 1·4 million lbs. in quantity but advanced in value from R42 lakhs to R59 lakhs. Direct imports from Japan which had almost dwindled down to insignificance in the preceding year totalled 201,000 lbs. valued at about R13½ lakhs in 1940-41. There were practically no imports from Burma and those from Hongkong declined from 643,000 lbs. to 90,000 lbs. Imports of silk yarn declined in quantity from 910,000 lbs. to 719,000 lbs., but the value recorded an increase from R24 lakhs to R32 lakhs. Supplies from Japan totalled 256,000 lbs. valued at R20 lakhs in 1940-41 as against 257,000 lbs. valued at R11 lakhs in the preceding year. Imports from China also fell from 486,000 lbs. to 454,000 lbs. in quantity, but the value rose from R9 lakhs to R12 lakhs. Imports of silk piecegoods declined from 9·1 million yards valued at R54 lakhs to 5·9 million yards valued at R41 lakhs in 1940-41. Japan supplied 2·8 million yards (R21 lakhs) as against 4·9 million yards (R31 lakhs). Imports from China were valued at R14 lakhs as compared with R19 lakhs in the preceding year. There was also a decline in the imports of goods of silk mixed with other materials which amounted to 3·7 million yards valued at R21 lakhs in 1940-41 as against 8·1 million yards valued at R39 lakhs in 1939-40. China reduced her contribution from 5·0 million yards (R21 lakhs) to 1·2 million yards (R8 lakhs), and Japan, from 2·7 million yards (R14 lakhs) to 2·3 million yards (R12 lakhs) in 1940-41.

Machinery and millwork (R11,84 lakhs).—There was a sharp decline in the imports of machinery and millwork including beltings and printing

machinery in 1940-41 which were valued at R11,84 lakhs as compared with R15,37 lakhs in 1939-40. The following table shows the details for the last three years :—

	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Prime movers	1,87	1,69	85
Electrical	3,72	2,36	1,71
Agricultural machinery	14	19	23
Boilers	1,40	85	36
Metal working (chiefly machine tools)	39	50	60
Mining	25	48	31
Oil crushing and refining	44	29	15
Paper mill	28	13	31
Refrigerating	14	21	18
Rice and flour mill	7	6	5
Saw mill	4	4	7
Sewing and knitting machines and parts	57	73	51
Sugar machinery	61	51	41
Tea machinery	23	17	16
Cotton machinery	2,67	1,96	1,37
Jute mill machinery	71	46	61
Wool machinery	2	3	3
Typewriters, including parts and accessories	15	21	24
Printing and lithographing presses	19	18	5
Belting for machinery	49	53	62

The value of electrical machinery imported declined from R2,36 lakhs to R1,71 lakhs of which the United Kingdom supplied R1,31 lakhs and Switzerland R6 lakhs as against R1,56 lakhs and R11 lakhs, respectively, in 1939-40. Consignments from the United States of America increased in value from R18 lakhs to R27 lakhs. Imports of textile machinery receded further from R2,69 lakhs to R2,26 lakhs of which cotton machinery accounted for R1,37 lakhs in 1940-41 as against R1,96 lakhs in the preceding year. Supplies from the United Kingdom were valued at R1,01 lakhs or 76 per cent as compared with R1,56 lakhs or 80 per cent in 1939-40. Imports of jute mill machinery recorded an increase from R46 lakhs to R61 lakhs. There was, however, a decline in the imports of prime-movers and boilers which were valued at R85 lakhs and R36 lakhs in 1940-41 as compared with R1,69 lakhs and R85 lakhs, respectively, in the preceding year. Increases were noticeable in the imports of belting for machinery (valued at R62 lakhs); agricultural machinery (R23 lakhs); metal working machinery (R60 lakhs); typewriters and parts (R24 lakhs): paper mill machinery (R31 lakhs) and saw mill machinery (R7 lakhs). On the other hand, imports of mining machinery (valued at R31 lakhs); sugar machinery (R41 lakhs); refrigerating machinery (R18 lakhs); tea machinery (R16 lakhs); rice and flour mill machinery (R5 lakhs); sewing and knitting machines and parts (R51 lakhs); printing and lithographing presses (R5 lakhs) and oil crushing and refining machinery (R15 lakhs) showed decreases as compared with 1939-40. The following table shows the

relative shares of the principal countries in the import trade in machinery and millwork :—

Imports of machinery and millwork (including belting for machinery and printing machinery).

—	1938-39		1939-40		1940-41	
	R (lakhs)	Per cent	R (lakhs)	Per cent	R (lakhs)	Per cent
United Kingdom	11,60	58·8	9,37	60·9	7,44	62·8
United States	2,24	11·4	2,64	17·2	3,20	27·0
Germany	3,18	16·1	1,41	9·2	2	0·2
Belgium	40	2·0	26	1·7	6	0·5
Other countries	2,30	11·7	1,69	11·0	1,12	9·5
TOTAL	19,72	100	15,37	100	11,84	100

It may be seen from the table that imports from the United Kingdom were valued at R7,44 lakhs in 1940-41 as against R9.37 lakhs in the preceding year, but her percentage share in the total trade rose from 61 to 63. The share of the United States of America advanced both absolutely and relatively, the country having supplied 27 per cent of the total imports in 1940-41, as compared with 17 per cent in 1939-40.

Hardware (R2,06 lakhs). –There was a decline of 9 per cent in the value of hardware imported during the year under review which amounted to R2,06 lakhs as compared with R2,27 lakhs in 1939-40. The principal items included in this group with figures for respective imports during the past three years are shown in the table below :

—	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Agricultural implements	3	3	3
Other implements and tools (except machine tools)	50	50	51
Builders' hardware	30	22	16
Domestic hardware	10	5	5
Enamelled ironware	12	12	8
Metal lamps	31	25	10
Metal lamps, parts	3	3	2
Stoves	4	3	1
Gas mantles	1	2	1
Other sorts	1,13	1,02	100

Imports of agricultural implements, chiefly from the United Kingdom, remained practically steady at R3 lakhs. Imports of other implements and tools, except machine tools, were valued at R51 lakhs or R1 lakh more than in the preceding year, to which the United Kingdom contributed 45 per cent (46 per cent) and the United States of America, 49 per cent (34 per cent), the figures in brackets representing the percentage shares in the preceding year. The number of metal lamps imported fell from 2·5 million valued at R25 lakhs to 0·9 million valued at R10 lakhs. There were practically no imports from Germany in 1940-41 which had been the chief source of supply in previous years. Imports from the United States of America declined from 355,000 to 351,000 in number, the value, however, rose from R4 lakhs to R5 lakhs. Supplies from Japan were higher and totalled 73,000 lamps as against 47,000

in the preceding year. Imports from China and Hongkong also advanced from 32,000 and 116,000 to 253,000 and 202,000, respectively, in 1940-41. The value of the parts of metal lamps imported in 1940-41 fell from R3 lakhs to R2 lakhs. These came mainly from the United Kingdom, Japan and China. Imports of enamelled ironware were valued at R8 lakhs in 1940-41 of which Japan supplied to the value of R6 lakhs as against R7 lakhs in the preceding year. The value of the imports of builders' hardware declined from R22 lakhs to R16 lakhs in 1940-41, to which the United Kingdom and Japan contributed R3 lakhs each as against R5 lakhs and R2 lakhs in the preceding year. Imports from China were valued at R5 lakhs, there being practically no imports from this country in 1939-40. Imports from the United States of America were valued at R4 lakhs as against about R1 lakh in the preceding year. Among other specified items there were decreases under stoves and glasslamps, while the value of the imports of domestic hardware remained fairly steady.

Of the total imports of hardware, the United Kingdom supplied to the value of R80 lakhs as against R86 lakhs in 1939-40, but her percentage share rose from 38 to 39. Supplies from Japan were valued at R37 lakhs or 18 per cent and those from the United States of America, at R48 lakhs or 23 per cent as compared with R25 lakhs (11 per cent) and R32 lakhs (14 per cent), respectively in the preceding year. Among other countries, imports from China were valued at R16 lakhs or about 8 per cent in 1940-41. The following table compares these percentages with those for the preceding two years : –

Imports of hardware.

—	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	38	38	39
Germany	29	21	..
United States of America	9	14	23
Japan	8	11	18
Other countries	16	16	20
TOTAL	100	100	100

Cutlery (R21 lakhs).

The value of cutlery imported declined further from R22 lakhs in 1939-40 to R21 lakhs in 1940-41 of which razors represented R15 lakhs, pruning knives, R2 lakhs, and other cutlery, R4 lakhs. Of the total imports, the United Kingdom supplied to the value of R11 lakhs as compared with R12 lakhs in the preceding year.

Drugs and Medicines.

The share of Japan remained steady at R2 lakhs while that of the United States of America improved from R1 lakh to R8 lakhs in the year under review.

Electroplated ware (R2 lakhs).

Imports of electroplated ware in 1940-41 were valued at R2 lakhs as in the preceding year. These were, as usual, drawn chiefly from the United Kingdom.

Rubber manufactures (R1,56 lakhs).—Imports of rubber manufactures were valued at R1,56 lakhs in 1940-41 as compared with R1,48 lakhs in the preceding year. The table below summarises the trade under principal classifications : -

Imports of Rubber manufactures.

—	1938-39		1939-40		1940-41	
	Number (000)	R (000)	Number (000)	R (000)	Number (000)	R (000)
Pneumatic motor covers . . .	218 3	91,89	214·0	1,05,59	132·9	1,09,22
Pneumatic motor cycle covers . .	1·4	14	1·6	12	2·7	20
Pneumatic cycle covers . . .	671·3	7,13	457 0	4,99	617·0	8,45
Pneumatic motor tubes . . .	161·7	8,03	144·2	8,50	101 9	8,50
Pneumatic motor cycle tubes . .	1·6	3	6·1	8	7 8	10
Pneumatic cycle tubes . . .	1,128 3	4,94	824·3	3,72	479·9	3,17
Solid rubber tyres for motor vehicles	1·1	91	0·6	34	0 5	17

Imports of pneumatic motor covers which represented 70 per cent of the total value of rubber manufactures imported during 1940-41 numbered 132,900 valued at R1,09 lakhs and showed a decline of 38 per cent in quantity but, due to higher prices, advanced in value by 3 per cent as compared with the preceding year. The United Kingdom supplied 65,500 valued at R50 lakhs as against 76,100 valued at R34 lakhs in 1939-40. The share of the United States of America in these imports also fell from 87,700 valued at R52 lakhs to 52,700 valued at R51 lakhs. Imports of pneumatic cycle covers, however, improved from 457,000 valued at R5 lakhs to 617,000 valued at about R8½ lakhs, there being larger supplies from the United Kingdom which totalled 559,400 valued at R8 lakhs as against 107,600 valued at R1 lakh in 1939-40. The number of pneumatic motor tubes imported fell further from 144,200 to 101,900 but the value of the consignment remained fairly steady at R8½ lakhs. Imports of pneumatic cycle tubes and solid rubber tyres for motor vehicles also showed decreases as compared with 1939-40.

Drugs and Medicines (R2,19 lakhs).—The total value of imported drugs and medicines declined from R2,61 lakhs to R2,19 lakhs in 1940-41. Imports of proprietory and patent medicines were valued at R65 lakhs as

compared with R89 lakhs in the preceding year. The United Kingdom accounted for R48 lakhs and the United States of America, for R13 lakhs, their respective contribution in 1939-40 being R49 lakhs and R18 lakhs. Camphor came, as usual, in large quantities from Japan, which supplied 694,000 lbs. valued at R19 lakhs out of a total of 1,131,000 lbs. valued at R27 lakhs. Imports of quinine salts were valued at over R32 lakhs against R25 lakhs in the preceding year. The United Kingdom increased her share from R8 lakhs to R10 lakhs and Java, from R5 lakhs to R18 lakhs.

Paper and Pasteboard (**R3,94 lakhs**).—Imports of paper and pasteboard declined in quantity from 2·7 million cwts. in 1939-40 to 2·1 million cwts. in 1940-41, but higher prices accounted for a rise in value from R3,46 lakhs to R3,94 lakhs. The total quantity of paper of all kinds imported fell by 18 per cent from 2·2 million cwts. to 1·8 million cwts., the value however showed an increase from R2,89 lakhs to R3,29 lakhs or by 14 per cent. Printing paper, always the chief item of imports, recorded a decrease from 934,000 cwts. to 721,000 cwts. in quantity but the value advanced from R1,06 lakhs to R1,20 lakhs. Canada and the United States of America were the principal sources of supply during the year under review, imports from the former totalling 344,000 cwts. and from the latter, 174,000 cwts. as compared with 61,000 cwts. and 6,000 cwts., respectively, in 1939-40. Imports from Japan also advanced from 23,000 cwts. to 37,000 cwts. while those from the United Kingdom fell from 21,000 cwts. to 11,000 cwts. As might be expected arrivals from other European countries were practically nominal and related mainly to consignments before the outbreak of the war or cargoes of enemy vessels. Imports of writing paper and envelopes declined from 135,000 cwts. (valued at R34 lakhs) in 1939-40 to 65,000 cwts. (valued at R29 lakhs) in the year under review, to which Norway and Sweden together contributed 9,000 cwts.; the United Kingdom, 22,000 cwts.; and the United States of America 24,000 cwts. as against 66,000 cwts., 25,000 cwts. and 5,000 cwts., respectively, in 1939-40. Packing and wrapping paper was imported to the extent of 191,000 cwts. valued at R76 lakhs in 1940-41 as compared with 378,000 cwts. valued at R82 lakhs in the preceding year. Supplies from the United Kingdom, Sweden and Norway declined from 42,000 cwts., 214,000 cwts., and 20,000 cwts. to 34,000 cwts., 42,000 cwts. and 5,000 cwts., respectively, while those from the United States of America rose from 4,000 cwts. to 91,000 cwts. Besides, 8,000 cwts. were also imported from Canada for the first time during the year under review. Imports of old newspapers in bales and bags rose from 667,000 cwts. to 714,000 cwts. in quantity and from R38 lakhs to R66 lakhs in value. The United States of America displaced the United Kingdom as the chief source of supply and sent 684,000 cwts. as against 170,000 cwts. in the preceding year. The value of paper manufactures imported, mainly from the United Kingdom, showed an increase from R13 lakhs to R19 lakhs. Imports of pasteboard, millboard and cardboard including manufactures thereof declined in quantity from 512,000 cwts. in 1939-40 to 343,000 cwts. in 1940-41 but advanced in value from R56 lakhs to R65 lakhs. Of these, strawboards accounted for 140,000 cwts. valued at R15 lakhs as compared with 307,000 cwts. valued at R26 lakhs in the preceding year. The following table shows the percentage shares of the

principal countries in the total value of paper and pasteboard imported into British India during the past three years :—

Percentage shares of the principal countries in the imports of paper and pasteboard.

—	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	27·6	22·3	17 0
Norway	11·5	16 2	3·0
United States of America	1·5	6·9	44·7
Sweden	12·1	18·2	4 3
Netherlands	4·6	4·6	1·3
Japan	4·0	6·9	6·9
Germany	19 5	11·6	0·3
Austria	7·4	1·4	..
Other countries	11·8	11·9	22·5
TOTAL	100	100	100

It will be noticed that the share of the United States of America in the total trade recorded a striking increase from 7 to 45 per cent in 1940-41, while there was a contraction in the case of the United Kingdom from 22 to 17 per cent. The share of Japan remained steady at about 7 per cent.

In 1940-41 there were altogether 15 paper mills at work in India. The aggregate production of all the reporting mills in India amounted to 1,753,000 cwts. in 1940-41 as compared with 1,416,000 cwts. in 1939-40. Imports of woodpulp, mostly for the use of the Indian paper mills, amounted to 89,000 cwts. valued at R12 lakhs as compared with 234,000 cwts. valued at R22 lakhs in the preceding year. Norway and Sweden together supplied 20,000 cwts. in 1940-41 and the United States of America, 62,000 cwts. as compared with 152,000 cwts. and 71,000 cwts., respectively, in 1939-40. The remainder came chiefly from Canada.

Provisions (R2,26 lakhs).—The total value of imported provisions declined from R2,63 lakhs in 1939-40 to R2,26 lakhs in the year under review. Imports of farinaceous and patent foods, by far the largest item under this group, remained almost steady at R85 lakhs. The figure for 1940-41 includes R33 lakhs being the value of farinaceous foods in bulk derived almost entirely from the Straits Settlements and R16 lakhs and R36 lakhs the values of milk foods for infants and invalids and other patent foods, respectively which are chiefly imported from the United Kingdom. Condensed milk was imported, chiefly from the United States of America, to the extent of 53,000 cwts. in 1940-41 as compared with 76,000 cwts. in 1939-40, the decrease in value being from R26 lakhs to R22 lakhs. Imports of biscuits and cakes, mainly from the United Kingdom showed decreases and amounted to 18,000 cwts. valued at R17 lakhs. There were also smaller imports in the year under review of confectionery and jams and jellies, mostly from the United Kingdom and

of bacon and hams from the United Kingdom and Australia. Among other commodities imports of tinned or canned fish and butter remained almost steady, but those of canned or bottled fruits declined as compared with the preceding year. The variations in the trade in some of the more important articles under provisions are shown in the table below :—

Imports of provisions.

Articles	1938-39		1939-40		1940-41	
	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)	Cwts. (000)	R (lakhs)
Bacon and hams .	17	13	13	12	9	9
Biscuits and cakes .	29	25	28	25	18	17
Canned or bottled fruits	44	10	40	10	31	3
Tinned or canned fish.	13	6	11	6	10	6
Cheese . . .	10	7	10	8	8	7
Confectionery . .	24	17	22	14	13	10
Butter . .	8	9	9	9	7	9
Milk foods for infants and invalids.	10	18	11	23	7	16
Farinaceous foods in bulk.	371	27	306	24	318	33
Jams and jellies .	18	7	22	8	14	6
Milk, condensed and preserved (including milk cream).	62	20	76	26	53	22
Other sorts . .	—	89	—	98	—	83

The total imports of provisions from the United Kingdom fell from R1,36 lakhs to R1,01 lakhs, her relative share in the trade being 45 per cent in 1940-41 as compared with 52 per cent in 1939-40. Imports from the Straits Settlements, consisting largely of farinaceous foods in bulk on the other hand rose from R24 lakhs to R33 lakhs, and relatively her share in the trade advanced from 9 per cent to 15 per cent. The share of the United States of America also advanced from 8 per cent to 10 per cent. Australian supplies consisting largely of butter, cheese, bacon and hams and milk condensed and preserved were valued at R37 lakhs and represented 16 per cent of the total trade in 1940-41 as compared with R25 lakhs or 9 per cent in 1939-40.

Sugar (R36 lakhs).—The area under sugarcane in India in 1940-41 was 4,559,000 acres as compared with 3,640,000 acres in the preceding year. The production in terms of *gur* in 1940-41 is estimated at 5,720,000 tons or 1,058,000 tons more than in 1939-40. The total number of sugar factories manufacturing direct from cane during the cane crushing season 1940-41 was

148 as against 145 factories in the preceding year. The following table gives the production of sugar in Indian factories during the last ten years as published by the Director, Imperial Institute of Sugar Technology :—

Crop year*	Direct from Cane	Refined from *Gur*
	Tons	Tons
1931-32	158,600	62,000
1932-33	290,200	78,000
1933-34	454,000	64,900
1934-35	578,100	43,500
1935-36	932,100	47,900
1936-37	1,111,400	25 600
1937-38	930,700	17,200
1938-39	650,800	14,700
1939-40	1,241,700	26,500
1940-41	1,095 400	(a) 49,600†

NOTE.—Figures from 1936-37 exclude production in Burma.

* From November to October. The principal crushing period i from November to May.

† Estimated.

(a) Production during the calendar year 1941.

Imports of sugar 16 D.S. and above, declined sharply in the year under review and arrivals into India including the Kathiawar States totalled 32,000 tons valued at R58 lakhs as compared with 332,000 tons valued at R4.26 lakhs in 1939-40, Java contributing 28,000 tons or 88 per cent as against 318,000 tons or 96 per cent in the preceding year. Simultaneously with this decline the imports of beet sugar practically ceased during 1940-41. According to the Director, Imperial Institute of Sugar Technology, the quantity of sugar available for consumption in India during the period 1st November 1939 to 31st October 1940 is estimated at 1,069,000 tons approximately as against 1,073,000 tons in the preceding crop year.

The *ex*-factory price of a typical Indian sugar, crystal No. 1, at Cawnpore was R12-6-0 per md. in the beginning of April 1940, and continued to remain at about this level till the middle of July. The end of July, however, saw a sudden fall in price which was quoted on July 26 at R9-14-0 per md. and at the end of August the rate came down to R9-0-0. Thereafter a rising tendency set in which carried the prices to R9-4-0 on September 13 and to R9-5-0 on October 4. The price rose further to R9-6-0 on October 18 and showed no fluctuation till January 16 when it fell to R9-3-0 at which level it remained for the rest of the year.

Imports.

Liquors (R2,00 lakhs).—The total imports of liquors declined in quantity from 4·3 million gallons in 1939-40 to 4·0 million gallons in 1940-41, the corresponding fall in value being from R2,19 lakhs to R2,00 lakhs. Bombay took the largest quantity—1·7 million gallons (R81 lakhs) as against 1·4 million gallons (R71 lakhs) and was followed by Bengal with 1·3 million gallons (R64 lakhs) against 1·6 million gallons (R79 lakhs). The requirements of Sind and Madras were comparatively small amounting to 508,000 gallons (R31 lakhs) and 526,000 gallons (R24 lakhs) as compared with 730,000 gallons (R46 lakhs) and 596,000 gallons (R24 lakhs), respectively, in the preceding year. Nearly 74 per cent of the total quantity of imported liquors consisted of ale, beer, and porter, which showed a decline from 3·1 million gallons in 1939-40 to 3·0 million gallons in 1940-41. The value however rose from R67 lakhs to R75 lakhs. Imports from the United Kingdom totalled 1·9 million gallons as in 1939-40, but her percentage share rose from 61 to 62. Supplies from Japan on the other hand fell from 514,000 gallons to 257,000 gallons. China and Australia, however, considerably improved their shares and imports from these two countries amounted to 383,000 gallons and 321,000 gallons as against 71,000 gallons and 37,000 gallons, respectively, in 1939-40. Spirits accounted for 24 per cent of the total quantity of liquors imported and wines 2 per cent. There was a decrease in the imports of spirits which amounted to 1·0 million gallons valued at R1,15 lakhs from 1·1 million gallons valued at R1,38 lakhs. The imports by classes are shown below :—

—	1938-39		1939-40		1940-41	
	Gallons	R (lakhs)	Gallons	R (lakhs)	Gallons	R (lakhs)
Brandy . . .	86,500	13	90,800	16	61,500	9
Gin . . .	78,000	7	87,700	8	76,500	8
Rum . . .	1,700	0·2	1,900	0·2	2,500	0·3
Liqueurs . . .	9,800	2	5,400	1	2,900	0·7
Whisky . . .	283,800	49	347,000	61	291,000	52
Spirit, present in drugs.	135,100	36	128,100	37	123,700	32
„ perfumed . .	5,800	5	4,300	4	3,100	3
„ denatured . .	344,600	3	388,800	3	374,300	4
„ other sorts .	19,500	7	24,400	7	14,600	5

Imports of whisky, practically all from the United Kingdom, decreased to 291,000 gallons in 1940-41 from 347,000 gallons in 1939-40. Imports of brandy also fell from 91,000 gallons to 61,000 gallons to which France and Australia supplied 28,000 gallons and 23,000 gallons as against 70,000 gallons and 2,000 gallons, respectively. Wines were imported to the extent of 86,000 gallons valued at R10 lakhs as compared with 106,000 gallons valued at R13 lakhs in 1939-40. Of the total imports of wines in 1940-41, Australia sent 12,000 gallons or 14 per cent; the United Kingdom 61,000 gallons or 71 per cent. The contribution of the other principal European countries taken together totalled 10,000 gallons only or 12 per cent in the year under review.

Other Articles.

Salt (R48 lakhs).—Imports of foreign salt, chiefly for consumption in Bengal, declined from 314,000 tons valued at R62 lakhs in 1939-40 to 207.000 tons valued at R48 lakhs in 1940-41. Aden continued to be the chief source of supply though her contribution fell from 225,000 tons to 145,000 tons. Imports from Egypt also declined from 30,000 tons to 27,000 tons. Arrivals from other countries included 22,000 tons from Italian East Africa as compared with 41,000 tons in the preceding year. The production of Indian salt in 1940 amounted to 1,644,000 tons as against 1,498,000 tons in 1939. The coastwise imports of Indian salt into Bengal in 1940-41 totalled 298,000 tons, such imports in the preceding year being 306,000 tons.

The *ex*-duty price of salt, Aden Fine. in the last week of April 1940 was R85-0 per 100 maunds *ex*-ship, which declined by successive stages to R77-8 in July. The price, however, rose to R82-0 in August and further to R98-0 in October. After a slight recession in December the price was marked up to R110-0 in February and further to R127-0 in March, 1941.

Other articles.—The following table shows the course of trade in some of the other articles of importance in imports :—

	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Instruments, apparatus, etc.	5,85	5,58	4,99
Dyeing and tanning substances	3,14	3,61	5,30
Spices	2,63	2,55	2,19
Tobacco	1,05	1.17	1,34
Glass and glassware	1,25	1,02	86
Precious stones and pearls, unset	1,15	88	30
Cement	10	7	5
Coal and coke	8	3	1

Instruments and apparatus (R4,99 lakhs).

There was a setback in the imports of instruments and apparatus, which were valued at R4,99 lakhs in 1940-41 as compared with R5,58 lakhs in the preceding year. The value of electrical instruments and apparatus, the principal item under this group, declined from R2,87 lakhs to R2,49 lakhs, consignments from the United Kingdom in 1940-41 being valued at R1,70 lakhs as against R1,64 lakhs in the preceding year. Expressed in percentage, the share of the United Kingdom rose from 57 per cent to 68 per cent. The United States of America and Japan, however, reduced their shares and imports from these sources were valued at R33 lakhs and R18 lakhs as against R37 lakhs and R20 lakhs, respectively, in 1939-40. The shares of other important participating countries recorded decreases as compared with the

preceding year. Details of imports under the various classes of electrical instruments during the past three years are given in the table below :—

—	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Electric fans and parts thereof	25	19	14
„ wires and cables	1,32	1,14	1,02
Telegraph and telephone instruments	23	13	13
Electric lamps and parts thereof	42	35	33
Batteries	22	23	9
Carbons, electric	3	4	6
Accumulators	6	8	9
Electric lighting accessories and fittings, including switches.	7	7	6
Meters	13	14	10
Electro-medical apparatus, including X-ray apparatus.	5	5	6
Switch boards (other than telegraph and telephone)	5	3	2
Unenumerated	48	42	39
TOTAL	3,31	2,87	2,49

Under photographic instruments, imports of raw films declined from 83 million feet valued at R31 lakhs in 1939-40 to 70 million feet valued at R24 lakhs in 1940-41. Receipts of exposed films also declined from 24 million feet to 18 million feet, but the value recorded a rise from R54 lakhs to R59 lakhs. Imports of cinema talkie apparatus were valued at R11 lakhs in 1940-41 as against R8 lakhs in the preceding year, of which the United States of America accounted for R9 lakhs as compared with R4 lakhs in 1939-40. Imports of wireless apparatus, however, recorded a fall in value from R50 lakhs to R44 lakhs which in 1940-41 were distributed among the United Kingdom (50 per cent) the United States of America (39 per cent) and the Netherlands (9 per cent). Imports of other classes of instruments, except optical instruments, generally showed a contraction in 1940-41 as compared with the preceding year.

Dyeing and tanning substances (R5,30 lakhs).

There was a marked improvement in the imports of dyeing and tanning substances which were valued at R5,30 lakhs as compared with R3,61 lakhs in the preceding year. Imports of coal tar dyes representing 86 per cent of the total value in 1940-41 advanced by R1,68 lakhs or 59 per cent to R4,55 lakhs, the quantity imported being 13⅓ million lbs. as against 13 million lbs. in 1939-40. The principal sources of supply during the year under review were the United Kingdom, the United States of America and Japan. The

following table shows the details of the imports of these dyes during the past three years :—

Imports of coal tar dyes.

—	Quantity.			Value.		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	lbs. (000)	lbs. (000)	lbs. (000)	R (lakhs)	R (lakhs)	R (lakhs)
Alizarine	874	805	1,155	6	6	18
Congo red	474	563	1,091	3	6	17
Coupling dyes of the nahthol group	2,573	2,172	1,437	60	56	80
Vats	1,733	1,560	1,544	1,30	1,20	1,72
Sulphur black	2,638	3,799	3,865	6	18	35
Others	3,731	3,931	4,238	58	81	1,33
Total	12,023	12,830	13,330	2,63	2,87	4,55
From United Kingdom	1,471	1,799	2,425	32	47	77
„ Germany	7,918	5,731	52	1,73	1,14	2
„ France	348	302	344	8	10	19
„ Switzerland	659	1,024	646	29	50	53
„ Japan	294	1,568	2,007	5	28	49
„ United States of America	746	1,642	7,223	8	23	2,37
„ Other countries	587	764	633	8	15	18

Imports of barks for tanning (mostly from South Africa) decreased in quantity from 698,000 cwts. to 659,000 cwts. in 1940-41, the value, however, remaining fairly constant at R44 lakhs. Imports of cutch and gambier (from Burma and the Straits Settlements) recorded some improvement, while saffron (from Spain) showed a decrease.

Spices (R2,19 lakhs).

There was a setback in the imports of spices which fell from 1,940,000 cwts. valued at R2.55 lakhs in 1939-40 to 1,789,000 cwts. valued at R2,19 lakhs. Imports of betelnuts, the principal item under this group, totalled 1,644,000 cwts. valued at R1,64 lakhs as against 1,588,000 cwts. valued at R1,60 lakhs in the preceding year. The bulk of these imports were, as usual, drawn from the Straits Settlements. Imports of cloves, on the other hand declined to 49,000 cwts. valued at R25 lakhs from 92,000 cwts. valued at R47 lakhs in 1939-40. Kenya Colony, Zanzibar and Pemba are the two principal supplying countries. There was also a marked fall in the imports of pepper from 142,000 cwts. (R19 lakhs) to 17,000 cwts. (R3 lakhs). Imports of nutmegs and ginger were small, amounting to 11,000 cwts. and 500 cwts., respectively, in 1940-41.

Tobacco (R1,34 lakhs).

Imports of tobacco, all sorts, amounted to 9·8 million lbs. valued at R1,34 lakhs in 1940-41 as compared with 7·5 million lbs. valued at R1,17 lakhs in the preceding year. Receipts of unmanufactured tobacco rose from 5·8 million lbs. (R64 lakhs) to 8·0 million lbs. (R79 lakhs) in the year under review of which the United States of America supplied 6·3 million lbs. or 78 per cent as against 3·7 million

lbs. or 64 per cent in 1939-40. Imports from the United Kingdom, however, dwindled into insignificance in the year under review. Arrivals from Burma, consisting of cheaper varieties, rose slightly from 1·5 million lbs. to 1·6 million lbs. Imports of cigarettes recorded an advance from 1,371,000 lbs. to 1,380,000 lbs. in quantity but the value declined from R46 lakhs to R45 lakhs. As usual, the United Kingdom was the largest source of supply and contributed 1,347,000 lbs. or 98 per cent in 1940-41. Of other descriptions of manufactured tobacco imported in the year under review, cigars accounted for 311,000 lbs., Burma supplying 295,000 lbs., and tobacco for pipes and cigarettes, 111,000 lbs. of which the United Kingdom supplied 105,000 lbs.

Glass and glassware (R86 lakhs).

The value of the imports of glass and glassware receded further to R86 lakhs from R1,02 lakhs in the preceding year. Most of the descriptions comprised within this group shared in the decline. Imports of glass bangles fell in value from R18 lakhs to R7 lakhs of which Japan supplied to the value of R6 lakhs as against R10 lakhs in the preceding year. Imports of beads and false pearls also declined from 12.000 cwts. (R8½ lakhs) to 4,000 cwts. (R3½ lakhs). Imports of bottles and phials. chiefly from Japan and China, showed an increase and numbered 664.000 gross valued at R25 lakhs in 1940-41 as compared with 639,000 gross valued at R21 lakhs in 1939-40. Glass sheet and plate came to the extent of 11 million square feet or practically half of what were imported in the preceding year, the decline in value being from R20 lakhs to R18 lakhs. The United Kingdom, Belgium and Japan were the chief sources of supply. The values of imports of tableware, funnels, globes, etc., and scientific glassware were small. Japan continued to occupy the leading position in the total trade and sent R51 lakhs worth of glass and glassware in 1940-41 as against R54 lakhs in 1939-40. Imports from Belgium declined from R8 lakhs to R4 lakhs. The value of the imports from the United Kingdom, on the other hand, rose from R10 lakhs to R17 lakhs in the year under review. Expressed in percentages, the trade in 1940-41 was distributed as follows :—Japan, 59 per cent ; the United Kingdom, 20 per cent ; China, comparatively a new source of supply, 6 per cent, and Belgium, 5 per cent.

Precious stones (R30 lakhs).

There was a marked contraction in the imports of precious stones and pearls unset which declined to R30 lakhs in the year under review from R88 lakhs in the preceding year. The value of diamonds imported fell from R64 lakhs to R7 lakhs, but that of other precious stones advanced from R5 lakhs to R9 lakhs. Imports of pearls, real and culture, showed a decrease and were valued at R14 lakhs as against R19 lakhs in 1939-40. The share of Belgium in the total trade declined from 65 per cent to 16 per cent, while that of the United Kingdom advanced from 6 per cent to 22 per cent. The value of the consignments from Arabia and the Bahrein Islands, consisting of pearls only remained fairly steady and totalled R5 lakhs and R3 lakhs, respectively, in 1940-41.

Cement (R5 lakhs).

Indian demand for cement is now generally met from local production and the imports, consisting mostly of specialised quality, further shrank from 11,000 tons valued at R7 lakhs in 1939-40 to 5,000 tons valued at R5 lakhs in the year under review.

Dutiable Baggage.

The bulk of these shipments came from the United Kingdom which accounted for 3,000 tons or 60 per cent.

Dutiable Baggage.

The imports of dutiable baggage, which are not otherwise specified, were valued at R14 lakhs as in the preceding year. The following classes of articles imported as baggages are, however, recorded under their respective heads and are necessarily excluded from this :—(i) fire arms, cartridges and other arms and ammunition, (ii) wireless sets and instruments, apparatus and appliances, (iii) liquors and spirits, (iv) furniture and carpets, (v) jewellery, silverware and plated ware, including silver and plated cutlery, and (vi) vehicles, including motor cars.

CHAPTER III.

Exports of Merchandise.

The following table shows the comparative importance of the principal articles exported from British India :—

Exports.

(In thousands of Rupees)

—	1938-39	1939-40	1940-41	Percentage on total exports of merchandise in 1940-41
Jute, raw	13,39,67	19,83,33	7,84,60	4·20
Jute manufactures	26,26,11	48,72,14	45,38,49	24·29
Cotton, raw and waste	24,66,65	31,04,15	24,45,56	13·09
Cotton manufactures	7,11,79	8,57,58	16,49,27	8·83
Tea	23,29,05	26,30,60	27,74,65	14·85
Seeds	15,09,22	11,89,53	10.04,92	5·38
Leather	5,27,58	7,69,50	5,98,54	3.20
Grain, pulse and flour	7,74,12	5,08,83	5,91,52	3·16
Hides and skins, raw	3,84,67	4,11,39	3,13,65	1·68
Tobacco	2,75,63	2,52,81	2,87,65	1·54
Fruits and vegetables	2,26,86	2,36,94	2,44,03	1·31
Wool, raw and manufactured	3,84,95	4,03,47	2,37,43	1·27
Lac	1,26,65	1,90,87	2,25,43	1·21
Rubber, raw	71,58	93,76	91,89	0·49
.. manufactures	3,70	9,53	40,89	0.22
Oilcakes	3,01,20	2,02,92	84,16	0·45
Coir	96,01	1,28,24	76,89	0·41
Hemp, raw	71,98	86,20	76,28	0·41
Spices	78,66	1,07,93	75,52	0·40
Provisions and oilman's stores	59,32	70,85	73,09	0·39
Building and engineering materials other than of iron, steel or wood.	14,75	30,72	63,42	0·34
Fish (excluding canned fish)	69,29	69,71	63,15	0·34
Dyeing and tanning substances	59,11	70,94	54,00	0·29
Boots and shoes	21,60	28,89	49,64	0·26
Manures	37,22	47,91	45,64	0·24
Paraffin wax	36,25	32,98	35,56	0·19
Drugs and medicines	27,83	33,19	33,66	0·18
Instruments, apparatus, etc.	24,36	26,48	32,79	0·18
Paper and pasteboard	10,19	14.55	31,55	0·17
Sugar	24,18	7,96	27,20	0·14
Wood and timber	23,66	21,06	25,36	0·14
Gums and resins.	23,45	31,60	25,19	0·13
Saltpetre	10,80	17,13	24,27	0·13
Coffee	75,11	73,15	24,14	0·13
Bristles	26,32	39,15	23,52	0.13
Paints and painters materials	13,01	17.81	21,58	0·11
Apparel	12,62	14,59	18,45	0·10
Toys and requisites for games, etc	15,76	21.30	11,90	0·06
Cordage and rope	8,12	10,61	11,73	0·06
Bones for manufacturing purposes	23,71	22,50	11,64	0·06
Books, printed, etc.	9,97	11,25	11.25	0·06
Fibre for brushes and brooms	15,71	13,33	10,91	0·06
Haberdashery and millinery	4,39	6,38	9,74	0·05
Stationery (excluding paper)	2,56	3,10	9.55	0·05
Animals, living	8,23	7,83	7,18	0·04
Fodder, bran and pollards	8,96	4,80	5,53	0·03
Silk, raw and manufactured	4,26	7,78	5,13	0·03
All other articles.	13,02,16	15,94,85	17,78,03	9·52
TOTAL VALUE OF EXPORTS	162,79,16	203,92,12	186,86,17	100

Cotton.

Cotton (R23,56 lakhs).—Shipments of raw cotton from British India declined from 2,948,000 bales in 1939-40 to 2,168,000 bales in 1940-41, or a decrease of 26 per cent. The value of the exports fell by 22 per cent from R30,11 lakhs to R23,56 lakhs. Japan, the best customer of Indian raw cotton, reduced her takings from 1,056,000 bales to 705,000 bales in 1940-41. Exports to the United Kingdom amounted to 291,000 bales as compared with 472,000 bales a year ago. There were, however, increased shipments of Indian cotton to China which totalled 754,000 bales in 1940-41 as against 681,000 bales in the preceding year. Exports to the United States of America also recorded an improvement and amounted to 123,000 bales as compared with 122,000 bales in 1939-40. Australia and Korea also increased their purchases from 18,000 bales and 41,000 bales to 38,000 bales and 64,000 bales, respectively. Exports to other countries included 14,000 bales to French Indo-China in 1940-41 as against 38,000 bales in the preceding year. The following statement gives the monthly exports of cotton from British India during the last three years : -

[In bales of 400 lbs. each]

—	1938-39	1939-40	1940-41
April	249,900	339,700	188,400
May	201,600	404,100	268,600
June	194,800	279,600	202,700
July	207,400	336,500	140,600
August	157,300	222,000	173,800
September	176,400	143,500	151,100
October	171,700	128,700	132,600
November	203,000	127,300	17[illegible],000
December	264,200	209,800	174,200
January	275,100	245,100	252,400
February	279,200	277,700	121,000
March	322,300	226,900	191,200
TOTAL	2,702,900	2,947,900	2,167,600

Exports.

The decrease in exports of Indian cotton was, however, accompanied by an increase in consumption by the mills in India. It is estimated that the Indian mills absorbed 3,334,000 bales during 1940-41 or 294,000 bales more than the preceding year and 212,000 bales more than the high record of 1938-39. The table below shows the details :—

Consumption of Indian raw cotton in Indian mills.

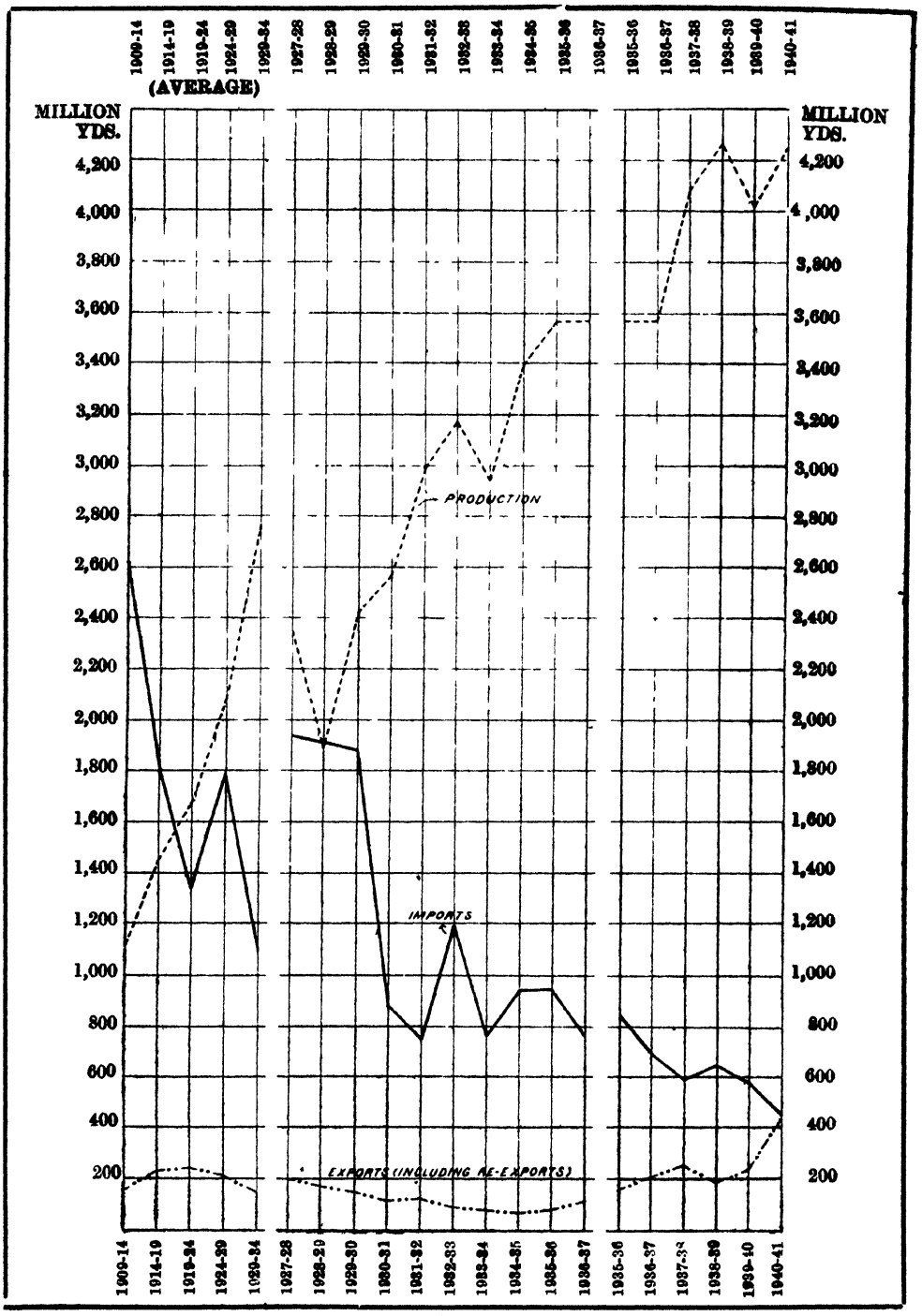
(In thousand bales of 400 lbs. each.)

—	1938-39	1939-40	1940-41
Bombay Island	799	641	809
Ahmedabad	349	323	332
Bombay Province	1,369	1,198	1,381
Madras	464	487	535
United Provinces	321	343	370
Central Provinces and Berar	156	162	142
Bengal	93	94	113
Punjab and Delhi	116	143	157
Rest of British India	52	47	46
TOTAL BRITISH INDIA	2,571	2,474	2,744
TOTAL INDIAN STATES	551	566	590
TOTAL INDIA	3,122	3,040	3,334

Besides Indian cotton, fairly large quantities of foreign raw cotton are also used in Indian mills for the manufacture of finer fabrics. In the year under review, the total receipts of foreign cotton in British India amounted to 499,000 bales as compared with 468,000 bales in 1939-40. The British East Africa was, as usual, the principal source of supply and sent 215,000 bales as against 202,000 bales in the preceding year. Egypt and Anglo-Egyptian Sudan together supplied 228,000 bales or 17,000 bales more than in 1939-40. Imports from the United States of America, however, fell from 52,000 bales to 49,000 bales.

COTTON PIECEGOODS.

Chart showing the production, imports and exports of cotton piecegoods during the five quinquennia ending 1929-34 and the last fourteen years.



NOTE.—(i) The space after 1929-34 separates the several quinquennia and the annual figures.

(ii) The points starting from 1927-28 and ending in 1936-37 represent figures for India including Burma.

(iii) The points starting from 1935-36 represent adjusted figures excluding Burma for 1935-36 and 1936-37 and actual figures thereafter.

Cotton Manufactures.

Cotton Manufactures (₹16,49 lakhs).—The position of the cotton industry during the year under review has already been reviewed in Chapter I. The production and exports of the different classes of piecegoods during the past three years are shown below :—

(In million yards)

—	MILL PRODUCTION			EXPORTS		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Grey and bleached piecegoods—						
Shirtings and longcloth . .	1,040·1	1,011·6	969·0	12·4	11·4	30·4
Chadars	74·6	70·6	61·9	4·0	3·5	6·2
Dhuties	1,454·8	1,230·3	1,101·4			
T cloth, domestics and sheetings .	183·3	173·2	181·2	..	0·1	..
Drills and jeans	135·2	122·3	187·8	1·0	1·6	10·0
Other sorts	449·1	478·3	664·1	61·4	76·8	133·1
TOTAL .	3,337·1	3,086·3	3,165·4	78·8	93·4	179·7
Coloured piecegoods . . .	932·2	926·2	1,104·1	98·2	128·0	210·4
TOTAL PIECEGOODS .	4,269·3	4,012·5	4,269·5	177·0	221·4	390·1

Concurrently with the increase in the cotton mill production exports of cotton piecegoods, also, improved in 1940-41 and amounted to 390 million yards valued at ₹10,64 lakhs or an increase of 76 per cent in quantity and of 74 per cent in value over those of the preceding year. This increase was distributed over all the three principal categories ; grey goods advanced by 46 million yards to 126 million yards : bleached goods, by 41 million yards to 54 million yards and coloured goods, by 82 million yards to 210 million yards. Of the total exports of piecegoods, 122 million yards or 31 per cent went to Burma as compared with 110 million yards or 50 per cent in the preceding year. Exports to Ceylon and the Straits Settlements advanced from 23 million yards each to 31 million yards and 34 million yards respectively. Exports to Egypt also improved from 2 million yards to 7 million yards. Shipments to Nigeria advanced by about 17 million yards to 22 million yards and those to the East African ports from 14 million yards to 78 million yards. Exports to the Anglo-Egyptian Sudan and Mauritius and Dependencies, on the other hand, remained fairly steady and together amounted to 7 million yards. There were, however, increased shipments to Arabia, the Bahrein Islands, the Federated Malaya States, Iraq, Aden, Thailand and the United States of America. Iran practically took nothing in 1940-41 as in the preceding year. Bombay as usual had the bulk of the trade and accounted for 78 per cent of the total exports, while Madras had 18 per cent as compared with 66 per cent and 31 per cent, respectively, in the preceding year. The following table shows the average declared value, per yard, of exported

piecegoods compared with the corresponding values of imported piecegoods during the last three years :—

—	Exports			Imports		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
Grey	0 3 1	0 3 2	0 3 8	0 1 11	0 1 11	0 2 2
White	0 3 7	0 3 9	0 4 1	0 2 11	0 3 5	0 3 5
Coloured . . .	0 5 4	0 5 3	0 4 10	0 3 0	0 3 1	0 3 5

As compared with the preceding year the average declared values of grey and white piecegoods exported increased during the year under review but that of coloured showed a decrease. These values were, however, higher than those of the corresponding descriptions of imported piecegoods.

The figures of production of cotton twist and yarn in Indian mills are given in the table on page 261. Exports of cotton twist and yarn improved from 37 million lbs. to 78 million lbs. in quantity and from R1,79 lakhs to R4,09 lakhs in value. Shipments to Burma continued to advance and totalled 44 million lbs. as against 15 million lbs. in the preceding year. Shipments to Hongkong also improved from 5 million lbs. to 9 million lbs. and those to Egypt from 0·6 million lbs. to 1·7 million lbs. Exports to the Straits Settlements, however, remained steady at 3 million lbs. Among other countries, Iraq, Arabia, Aden, Palestine and Turkey together required approximately 3 million lbs. as against 4 million lbs. in 1939-40, while shipments to Thailand showed a slight improvement.

Jute and Jute Manufactures (**R53,23 lakhs**).—The total exports of raw and manufactured jute during the year under review amounted to 1,167,000 tons as compared with 1,653,000 tons in 1939-40 showing a decrease of 486,000 tons or 29·4 per cent. The value of these shipments declined from R68,55 lakhs to R53,23 lakhs or by 22 per cent. The following table shows the exports of raw jute and manufactured goods during the past six years :—

—	Exports of raw jute	Percentage variation as compared with 1935-36	Exports of sacking bags and cloth	Percentage variation as compared with 1935-36	Exports of hessian bags and cloth	Percentage variation as compared with 1935-36
	Tons (000)		Tons (000)		Tons (000)	
1935-36 . . .	771	100	438	100	354	100
1936-37 . . .	821	106	519	118	488	138
1937-38 . .	747	97	523	119	478	135
1938-39 . . .	690	89	488	111	451	128
1939-40 . . .	570	74	511	117	546	154
1940-41 . . .	243	32	445	102	464	131

Exports of raw jute shrank in quantity from 570,000 tons in 1939-40 to 243,000 tons in 1940-41, or a decrease of 57 per cent, the value showing a decline by 60 per cent from R19,83 lakhs to R7,85 lakhs. The decline was shared by almost all the principal consuming countries. The United Kingdom took 95,000 tons or 100,000 tons less than in the preceding year. As a result

of the situation brought about by the war the Continental countries excluding Spain took much smaller quantities. Their combined purchases amounted to 34,000 tons as against 215,000 tons in 1939-40. Exports to Spain advanced from 16,000 tons to 17,000 tons. There were reduced shipments to the American countries. The United States of America took 46,000 tons as against 51,000 tons; the Argentine Republic, 8,000 tons as against 16,000 tons and Brazil, 12,000 tons as against 34,000 tons in 1939-40. Exports to Japan also fell from 14,000 tons to 9,000 tons, and those to China from 8,000 tons to 6,000 tons. Shipments to Australia, however, remained fairly steady at about 3,000 tons, while those to Manchuria and Egypt were insignificant in the year under review.

The increase in the consumption of raw jute by Indian mills noticed in the preceding year's Review received a setback in 1940-41. The following table shows the exports and Indian consumption of raw jute during the last five seasons, July to June :—

Season	Exports of raw jute	Consumption in India*	Excess of consumption over exports (%)
July—June—	Tons (000)	Tons (000)	
1936-37	872	1,082	+24
1937-38	666	1,194	+79
1938-39	693	1,112	+60
1939-40	529	1,288	+143
1940-41	237	989	+317

* Figures refer to mills in the membership of the Indian Jute Mills Association.

It will be observed that during all these years consumption was higher than exports. In 1940-41 it was 317 per cent more than the exports, the corresponding increase in the preceding year being 143 per cent. The monthly production of jute manufactures is shown in the following table :—

(*In millions.*)

—	Hessian				Sacking			
	Cloth		Bags		Cloth		Bags	
	1939-40	1940-41	1939-40	1940-41	1939-40	1940-41	1939-40	1940-41
	Yds.	Yds.	No.	No.	Yds.	Yds.	No.	No.
April	92	138	48	64	6	10	49	55
May	108	149	53	64	9	14	51	53
June	103	134	46	57	7	11	49	47
July	110	149	30	52	4	13	49	51
August	115	152	12	13	7	9	49	49
September	110	99	24	11	7	4	47	32
October	123	100	67	29	9	7	48	36
November	121	96	104	21	10	7	47	33
December	129	107	116	17	12	9	52	35
January	134	107	115	15	12	8	56	37
February	136	119	74	26	9	8	56	39
March	146	101	70	22	9	7	62	33
TOTAL	1,427	1,451	759	391	101	107	615	500

Exports.

There was an increase in the production of cloth both hessian and sacking but this was more than offset by the sharp decline in the production of bags.

The following table illustrates the prices of a typical grade of bags and two of the more important grades of hessians during 1940-41 :—

Date	B. Twills		Hessians, 40" × 8 oz.		Hessians, 40" × 10½ oz.	
	Ready	Near Forward	Ready	Near Forward	Ready	Near Forward
	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
1940—						
April 2 . .	37 4 0	37 0 0	12 7 0	12 8 0	15 2 0	15 3 0
„ 30 . .	37 0 0	36 8 0	13 12 0	13 12 0	16 14 6	16 14 0
May 28 . .	33 12 0	33 12 0	13 7 0	13 6 0	17 5 0	17 4 0
June 25 . .	29 8 0	29 12 0	10 14 0	11 0 0	15 2 0	15 0 0
July 30 . .	29 12 0	29 12 0	10 8 0	10 8 0	14 8 0	14 8 0
August 28 . .	27 12 0	27 12 0	9 13 0	9 14 0	13 9 0	13 6 0
September 24 .	30 8 0	30 8 0	11 2 0	11 3 0	15 6 0	15 2 0
October 29 . .	31 12 0	31 12 0	11 10 6	11 11 0	15 15 0	16 0 0
November 26 .	32 0 0	32 0 0	12 3 6	12 4 0	16 6 6	16 6 0
December 23 .	32 2 0	32 2 0	12 10 6	12 11 0	17 0 0	16 13 0
1941—						
January 28 . .	32 2 0	32 2 0	13 8 6	13 9 0	17 9 0	17 9 0
February 25 . .	31 15 0	31 15 0	14 2 0	14 1 0	18 0 0	17 13 0
March 25 . .	34 14 0	34 14 0	15 14 0	15 12 0	21 4 0	20 10 0

Exports of jute bags and cloth in the past three years are shown in the marginal table. The number of gunny bags shipped declined sharply in 1940-41 and totalled 678 million as compared with 1,211 million in the preceding year. The value also showed a fall and amounted to R20,31 lakhs as against R25,45 lakhs in 1939-40. Of the exports in 1940-41, sacking bags accounted for 394 million

—	1938-39	1939-40	1940-41
Bags (in millions) .	598	1,211	678
Cloth (in million yards).	1,550	1,561	1,546

valued at R15,89 lakhs and hessian gunny bags, 284 million valued at R4,42 lakhs. The United Kingdom, always the principal purchaser of gunny bags, reduced her takings considerably from 686 million to 212 million. Exports to other European countries taken together totalled 10 million in number as compared with 21 million in 1939-40. Next to the United Kingdom, the largest single purchaser of Indian gunny bags was Australia which took 73 million bags in 1940-41 as against 71 million in the preceding year. Burma came next with 51 million as compared with 52 million in 1939-40. Java, Thailand and Indo-China curtailed their purchases from 30 million, 25 million and 26 million bags to 17 million, 22 million and 12 million bags, respectively. The Straits Settlements required 4 million bags in 1940-41 or 7 million bags less than in the preceding year. Exports to the African territories except Egypt and West Africa were also smaller than in 1939-40. The Union of South Africa took 36 million bags as against 38 million in 1939-40; the Portuguese East Africa 7 million as against 20 million; while Egypt required 48 million bags as against 29 million; and the West African territories, *e.g.*, Nigeria, Gold Coast, etc., taken together, 24 million bags as against 21 million in the preceding year. Exports to the United States of America fell from 12 million bags to 6 million bags. There were however increased shipments to the West Indies, Chile, New Zealand and Hawaii, while those to Cuba and Peru recorded a decline. Exports to the Argentine Republic remained fairly steady at 2 million bags.

The total quantity of gunny cloth exported declined from 1,561 million yards in 1939-40 to 1,546 million yards in 1940-41 with an increase in value from R22,41 lakhs to R24,16 lakhs. Of the shipments in 1940-41 hessian gunny cloth represented 1,500 million yards valued at R23,24 lakhs as compared with 1,515 million yards valued at R21,55 lakhs in the preceding year. As usual, the United States of America was the best customer of gunny cloth, her purchases having amounted to 872 million yards in 1940-41 as against 764 million yards in 1939 40. Exports to the Argentine Republic, however, declined from 217 million yards to 210 million yards. There were also reduced shipments to the United Kingdom and Canada which amounted to 204 million yards and 102 million yards as against 260 million yards and 134 million yards, respectively, in 1939-40. Australia took 36 million yards against 41 million yards; the Union of South Africa, 13 million yards against 19 million yards; Egypt, 19 million yards against 16 million yards and Uruguay, 11 million yards against 14 million yards in the preceding year. Exports to New Zealand and the Philippines recorded increases. Table No. 32, appended to this Review, shows the details of exports of jute bags and cloths to which a reference may be made.

Raw Wool (R1,64 lakhs).—Exports of raw wool declined in quantity from 52·8 million lbs. in 1939-40 to 30·8 million lbs. in 1940-41, the value recording a fall from R3,22 lakhs to R1,64 lakhs. In Karachi, the price of Kandhar wool (Indian quality), cleaned basis, which was quoted at R45 per maund (82 lbs.) at the beginning of April ruled unchanged till June 10 when it dropped to R40. This fall, however, was only shortlived and on July 9 the rate rose to R44. Since then the market ruled very firm, and the rate, after a comparatively small increase to R45 in the middle of August, was quoted at R50 on October 1, at which rate it remained throughout the rest of the year.

Exports.

Exports of raw wool to the United Kingdom declined from 33·3 million lbs. in 1939-40 to 26·5 million lbs. in the year under review. There were also reduced shipments to the United States of America which totalled 4·3 million lbs. as against 18·8 million lbs. in 1939-40. Exports to other countries were practically insignificant. Re-exports of foreign wool declined in quantity from 16·4 million lbs. to 11·2 million lbs. in 1940-41, but owing to higher prices the value rose from R58 lakhs to R79 lakhs. As usual, the bulk of these shipments went to the United States of America which took 10·4 million lbs. (R75 lakhs) in 1940-41 as against 15·0 million lbs. (R55 lakhs) in the preceding year. The remainder was shipped wholly to the United Kingdom. The following table shows the exports of raw wool of Indian origin and imports of foreign wool by land into India and corresponding re-exports by sea during the last five years :—

—	Imports by land (Rail-borne trade at stations adjacent to land frontier routes)	Re-exports by sea	Exports by sea (Indian merchandise)
	Cwts. (000)	Cwts. (000)	Cwts. (000)
1936-37	194	118	464
1937-38	130	77	339
1938-39	140	94	495
1939-40	207	146	472
1940-41	146	100	275

The export trade in raw wool is confined chiefly to Sind and Bombay, the percentage shares of these provinces in 1940-41 being 82 and 13 as compared with 66 and 30 in the preceding year. In the case of re-exports, Sind had 32 per cent and Bengal, 67 per cent of the trade as against 19 and 81 per cent, respectively, in 1939-40. These figures are exclusive of exports from the Kathiawar States which are dealt with in Chapter V.

Exports of carpets and rugs declined further from 8·3 million lbs. valued at R74 lakhs in 1939-40 to 6·1 million lbs. valued at R67 lakhs in the year under review. As usual, the United Kingdom was the chief customer and took 2·5 million lbs. with a total value of R24 lakhs as against 5·5 million lbs. valued at R44 lakhs in 1939-40. Exports to the United States of America and Canada were valued at R21 lakhs and R13 lakhs as compared with R15 lakhs and R8 lakhs, respectively, in the preceding year. Shipments to Australia were valued at R5 lakhs.

Tea (R27,75 lakhs).—The total production of tea in India in 1940-41 has been provisionally estimated at 463·5 million lbs. as compared with 452·6 million lbs. in the preceding year. As usual, Assam contributed the largest quantity and produced 259·7 million lbs. or 56 per cent of the total Indian production in 1940-41 season. Production in the rest of Northern India amounted to 125 million lbs. or 27 per cent. Southern India accounted for

78·8 million lbs. or 17 per cent. The acreage and production for a number of years are shown in the following table :—

Acreage.

—	1906	1915	1935	1936	1937	1938	1939	1940*
	Acres	Acres	Acres	Acres	Acres	Acres	Acres	Acres
Assam . .	339,200	382,800	437,200	438,800	440,000	439,200	438,400	439,100
Rest of Northern India .	153,900	181 300	232,200	234 100	232,400	231 900	232,200	232,200
Southern India . .	37,600	68 000	162,300	161,200	161,900	164,700	161,900	161 600
TOTAL .	530,700	632,100	831,700	834,100	834,300	833,800	832,500	832,900

Production.

—	1906	1915	1935	1936	1937	1938	1939	1940*
	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs. (000)	lbs (000)	lbs. (000)	lbs. (000)
Assam .	162,468	245,752	228,417	223 326	241,527	261,037	252,728	259 691
Rest of Northern India .	64,216	94 695	103 742	107,347	117,451	115 705	121,434	125,027
Southern India . .	14,281	31,610	64,270	64,508	71,272	75,119	78,434	78,787
TOTAL .	240,965	372,057	394,429	395 181	430,250	451,861	452,596	463,505

* Subject to revision.

The exports for the corresponding official years are shown in the table below :—

Exports of tea by sea to foreign countries.

—	1906-07	1915-16	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41
	lbs. (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs (000)	lbs. (000)	lbs. (000)
From Northern India (Calcutta and Chittagong)	217,931	301,403	265,531	259,805	282,757	291,507	301,082	294,853
From Southern India (Madras ports).	13,980	25,840	50,385	46,004	51,444	56,303	57,277	53,081
From Bombay and Sind .	1,743	11,227	65	67	24	240	1,035	978
TOTAL .	233,654	338,470	315,981	305,876	334,225	348,050	359,394	348,862

Exports abroad fell in quantity from 359 million lbs. in 1939-40 to 349 million lbs. in 1940-41 or by 3 per cent, but the value increased from R26,31 lakhs to R27,75 lakhs or by 5 per cent. The total quantity exported in the year under review represented 75 per cent of the total production as compared with 79 per cent in the preceding year.

The auction sales for tea for the 1940-41 season opened at Calcutta on June 4 for internal consumption and on June 17 for invoices with export rights. There were altogether 38 sales for the former and 23 for the latter.

Exports.

The number of chests of sound leaf sold with export rights was 171,714 as against 617,446 in preceding season. Sales of sound leaf tea for internal consumption, however, rose from 380,094 packages to 479,185 packages in 1940-41. In all, the total number of packages of sound leaf sold was 650,899 as compared with 997,540 in the preceding season. The average price per lb. realised for tea sold with export rights improved to 13 as. 6 p. from 11 as. 5 p. in the preceding season, while that for internal consumption declined from 4 as. 4 p. to 4 as. 1 p.

The following table shows the number of chests of sound leaf sold and the average price realised at the Calcutta auction sales since 1932-33, the season immediately preceding the International restriction scheme :—

Season	Number of chests sold			Average price per lb.		Total weighted average price per lb.
	With export rights	For internal consumption	Total	For teas with export right	For teas for internal consumption	
				As. P.	As. P.	As. P.
1932-33	—	—	772,843	—	—	5 2
1933-34	575,709	267,635	843,344	9 7	4 10	8 1
1934-35	566,834	282,991	849,825	8 9	5 2	7 7
1935-36	527,340	290,336	817,676	9 5	4 10	7 9
1936-37	584,918	322,913	907,831	10 1	4 8	8 2
1937-38	617,653	367,260	984,913	11 4	4 9	8 11
1938-39	640,135	356,564	996,699	9 7	4 0	7 7
1939-40	617,446	380,094	997,540	11 5	4 4	8 9
1940-41	171,714	479,185	650,899	13 6	4 1	6 7

Taking 1932-33 as the base, the variation in the production in Northern India and in the total quantity of sound leaf tea sold at the Calcutta auction sales (including tea sold for internal consumption) and the average prices realised at these sales are set forth below :—

Season	Production	Total quantity sold (for both export and internal consumption)	Average price
1932-33	100	100	100
1933-34	87	109	156
1934-35	91	110	147
1935-36	89	106	150
1936-37	89	117	158
1937-38	97	127	173
1938-39	102	129	147
1939-40	101	129	169
1940-41	104	84	127

Food grains.

Of the total exports of 349 million lbs. in 1940-41 the United Kingdom took 315 million lbs. or 90 per cent as compared with 290 million lbs. or 81 per cent of the total of 359 million lbs. in the preceding year. Shipments to Canada and the United States of America receded to 14·5 million lbs. and 9·3 million lbs. from 27·1 million lbs. and 13·4 million lbs., respectively, in 1939-40. Other principal countries except Burma also took less than in the preceding year. Iran required 1·3 million lbs. as against 6·1 million lbs.; Ceylon, 2·2 million lbs. as against 7·0 million lbs. while Burma increased her offtake from 2·7 million lbs. to 3·0 million lbs. Exports to Australia fell from 3·7 million lbs. to 0·6 million lbs. in 1940-41. The share of Calcutta in the total exports of tea in 1940-41 was 61 per cent and of Chittagong, 24 per cent, the remainder being shipped mostly from Madras. Shipments from Calcutta in 1940-41 amounted to 213 million lbs. (214 million lbs.) and from Chittagong 82 million lbs. (87 million lbs.); while those from Madras totalled 53 million lbs. (57 million lbs.) -the corresponding figures for the preceding year being shown in brackets.

Food grains and flour (R5,92 lakhs).—The total exports of grain, pulse and flour rose from 409,000 tons in 1939-40 to 458,000 tons in 1940-41 or by 12 per cent in quantity, the corresponding rise in value being from R5,09 lakhs to R5,92 lakhs or by 16 per cent. With the exception of rice exports of which recorded a decrease in quantity with an increase in value and jowar and bajra, all other food grains showed increases both in quantity and value. The statement below shows the exports of food grains during the past three years :—

—	1938-39	1939-40	1940-41
	Tons (000)	Tons (000)	Tons (000)
Rice not in the husk	282	262	251
„ in the husk	3	4	2
Wheat	279	8	45
„ flour	61	50	66
Pulse	81	74	88
Barley	9	..	..
Jowar and bajra	24	7	2
Other sorts	3	4	4
TOTAL .	742	409	458
VALUE R(lakhs)	7,74	5,09	5,92

Rice (R3,37 lakhs).

Despite large production in India, considerable quantities of rice are imported into the country mostly from Burma. Exports which formed only 1 per cent of Indian production are destined chiefly to Ceylon, Arabia and certain African territories having a large Indian population. The following statement compares

the total outturn of rice in India and Burma with total exports from and imports into India during the past five years :—

(In thousand tons.)

—	Production		Exports		Imports	
	Cleaned rice		Rice	Paddy	Rice	Paddy
	India proper	Burma				
1936-37 . . .	27,824	4,721	235	1	1,419	121
1937-38 . . .	26,699	4,575	227	1	1,198	36
1938-39 . .	23,969	5,360	282	3	1,282	84
1939-40 . . .	25,800	4,665	262	4	1,887	339
1940-41 . . .	21,850*	5,379*	251	2	1,207	45

* Subject to revision.

The production of cleaned rice in India in 1940-41 amounted to 21·8 million tons as compared with 25·8 million tons in the preceding year, the total area under the crop being 72·2 million acres as against 74·3 million acres in 1939-40. Exports of rice, not in the husk, declined in quantity from 262,000 tons to 251,000 tons, but higher prices accounted for an increase in value from R3,19 lakhs to R3,35 lakhs. The table below shows the direction of export trade in rice :—

Exports of rice, not in the husk, to foreign countries.

(In thousand tons.)

—	1938-39	1939-40	1940-41
United Kingdom	6	7	6
Rest of Europe	4	2	..
Ceylon	105	91	117
Rest of Asia	81	79	64
Union of South Africa . . .	25	31	24
East Africa	6	7	3
Other Countries	55	45	37
Total .	282	262	251

Exports to Ceylon amounted to 117,000 tons in 1940-41 as compared with 91,000 tons in the preceding year. Among other Asiatic countries, Arabia and Aden and Dependencies took 36,000 tons and 3,000 tons as against 45,000 tons and 11,000 tons respectively, in 1939-40. Exports to the Straits

Wheat.

Settlements improved slightly from 9,300 tons to 9,600 tons and those to the Bahrein Islands from 10,000 tons to 11,000 tons. Shipments to the Union of South Africa amounted to 24,000 tons or 7,000 tons less than in 1939-40, and those to East Africa totalled 3,000 tons as against 7,000 tons in the preceding year. The United Kingdom took 6,000 tons as compared with 7,000 tons while there were no shipments to any other European countries. Imports of rice, not in the husk, into India almost entirely from Burma amounted to 1,207,000 tons in 1940-41, the corresponding figure for the preceding year being 1,887,000 tons. Besides these, 45,000 tons of rice, in the husk, were imported into India in the year under review as against 339,000 tons in 1939-40, Burma having supplied 12,000 tons as compared with 43,000 tons in 1939-40. Arrivals from other countries included 30,000 tons from French Indo-China and 3,000 tons from Thailand, their respective contributions in the preceding year being 262,000 tons and 34,000 tons.

Wheat (R50 lakhs).

The production of wheat in India in 1939-40 was estimated at 10·8 million tons while in 1940-41 it has been put at 10 million tons. Exports from India improved considerably from 8,000 tons in 1939-40 to 45,000 tons in the year under review. The United Kingdom, Iran and Iraq had taken nothing in 1939-40 but required 13,000 tons, 17,000 tons and 4,000 tons, respectively, in 1940-41. Burma also improved her takings from 3,000 tons to 5,000 tons. The following table shows the production and exports of wheat during the past five years :—

	Production	Exports
	Tons (000)	Tons (000)
1936-37	9,752	235
1937-38	10,761	460
1938-39	9,963	279
1939-40	10,767	8
1940-41	10,005*	45

* Subject to revision.

Wheat flour (R92 lakhs).

Exports of wheat flour from India also increased from 50,000 tons valued at R68 lakhs to 66,000 tons valued at R92 lakhs. Shipments to Burma totalled 29,000 tons in 1940-41 as against 23,000 tons in the preceding year. Exports to Arabia and Aden also improved from 10,000 tons and 5,600 tons to 13,000 tons and 6,000 tons respectively. There was an increase of 5,000 tons in the exports to Ceylon which amounted to 6,500 tons, but those to the Straits Settlements remained fairly steady at about 5,000 tons. Exports to Anglo-Egyptian Sudan were ten times those in the preceding year and amounted to 2,500 tons in 1940-41. The following table shows the production of wheat in India, the net imports or exports and the balance available for consumption in the country in the

last three years. In calculating the net imports and exports, the equivalent in wheat of flour imported or exported has been taken into account :—

Year.	Production of previous crop year	Net imports (+) or net exports (—) during the year	Balance available for consumption during the year
	Tons	Tons	Tons
1938-39	10,764,000	—207,000	10,557,000
1939-40	9,963,000	+6,000	9,969,000
1940-41	10,767,000	—121,000	10,646,000

Other food grains (R1.13 lakhs).

Among other food grains, exports of barley were insignificant amounting to 300 tons valued at about R½ lakh in 1940-41. Exports of pulses, consisting largely of *dals* and lentils, recorded an increase in quantity from 74,000 tons in 1939-40 to 88,000 tons in 1940-41 and the value also rose by R10 lakhs to R1,07 lakhs. Ceylon took the largest quantity of *dals* exported in 1940-41, *viz.*, 18,000 tons out of a total of 36,000 tons, while the United Kingdom absorbed 14,000 tons of lentils out of the total of 20,000 tons. Ceylon was also the best purchaser of gram, she having taken about 66 per cent of total exports in 1940-41 as against 52 per cent in the preceding year. Of the total value of exports of pulses the United Kingdom accounted for R36 lakhs; Ceylon, R33 lakhs: the Straits Settlements, R7 lakhs; Mauritius, Burma and the Union of South Africa, R5 lakhs each. Exports of jowar and bajra, however, declined from 7,000 tons valued at R7 lakhs in 1939-40 to 2,000 tons valued at about R1½ lakhs. Of the shipments in 1940-41 Arabia took 700 tons; Aden 400 tons; and the French Somaliland, 100 tons. There were practically no exports of maize and oats from India during the year under review.

Oilseeds (R9,99 lakhs).—The total exports of oilseeds, consisting largely of groundnuts and linseed from British India, declined by 17 per cent in quantity and 16 per cent in value and amounted to 703,000 tons valued at R9,99 lakhs as compared with 849,000 tons valued at R11,84 lakhs in 1939-40.

Linseed (R3,69 lakhs).

The Indian linseed crop of the season 1939-40 which was mostly marketed in the year under review was estimated at 466,000 tons as against 442,000 tons in the preceding season. The Argentine crop of 1939-40 was smaller by 28 per cent than the preceding one, the official estimate of the outturn being 998,000 tons. Shipments from India rose by 9 per cent in quantity from 219,000 tons in 1939-40 to 238,000 tons in 1940-41, and by 16 per cent in value from R3,18 lakhs to R3,69 lakhs. As usual, the United Kingdom was the best customer and took 200,000 tons as against 172,000 tons in 1939-40. There were practically no exports to other European countries. Shipments to Australia amounted to 35,000 tons in 1940-41 as against 31,000 tons in the preceding year. American countries, *viz.*, the United States and Canada, continued to show practically

no interest in this trade. The exports in 1940-41 were distributed among the provinces in the following proportion : Bengal, 39 per cent (46) ; Bombay, 50 per cent (43) and Madras, 11 per cent (11), the figures in brackets representing the percentage share in 1939-40.

Groundnuts (R4,06 lakhs).

The production of groundnuts in 1940-41 has been estimated at 3,473,000 tons of nuts in shell as against 3,165,000 tons in the preceding season. Exports of groundnut seed from British India totalled 339,000 tons valued at R4,06 lakhs in 1940-41 as compared with 549,000 tons valued at R7,19 lakhs in 1939-40. Shipments to the United Kingdom advanced from 108,000 tons in 1939-40 to 214,000 tons in the year under review. Exports to France declined from 99,000 tons to 25,000 tons in 1940-41. Belgium and the Netherlands together took 19,000 tons as against 173,000 tons in 1939-40. Shipments to other countries included 7,000 tons to Denmark and 9,000 tons to Palestine. their respective takings in the preceding year being 14,000 tons and 13,000 tons. About 83 per cent of the total quantity shipped in 1940-41 was from Madras Province as compared with 86 per cent in the preceding year, the remainder being despatched almost entirely from Bombay.

Castor seed (R1,19 lakhs).

Exports of castor seed rose from 40,000 tons valued at R71 lakhs in 1939-40 to 67,000 tons valued at R1,19 lakhs in 1940-41. The United Kingdom and France increased their requirements from 12,000 tons and 2,000 tons to 35,000 tons and 10,000 tons, respectively. Shipments to the United States of America also increased from 13,000 tons to 14,000 tons, while those to Japan declined from 7,000 tons to 3,000 tons in 1940-41.

Rapeseed (R47 lakhs).

There was an improvement in the exports of rapeseed which amounted to 35,000 tons valued at R47 lakhs in 1940-41 as against 22,000 tons valued at R33 lakhs in the preceding year. The United Kingdom took 23,000 tons or 66 per cent as compared with 16,000 tons or 73 per cent in 1939-40. Exports to France also increased from 3,000 tons to 9,000 tons. The remainder went chiefly to Australia and the United States of America. The production of rape and mustard in India in 1940-41 was estimated at 1,083,000 tons as compared with 1,117,000 tons in 1939-40.

Sesamum (R7 lakhs).

Exports of sesamum rose slightly in quantity from 3,500 tons in 1939-40 to 3,900 tons in 1940-41, but the value remained fairly steady at R7 lakhs. Burma continued to be the principal customer and her purchases rose from 1,600 tons to about 2,000 tons. Ceylon however reduced her takings from 400 tons to 300 tons.

Other oilseeds (R51 lakhs).

Exports of other non-essential oilseeds, *e.g.*, cotton, copra, etc., were negligible during the year under review. Shipments of essential oilseeds recorded an increase of 87 per cent in quantity from 7,500 tons in 1939-40 to 14,000 tons in 1940-41, and of 90 per cent in value from R20 lakhs to R38 lakhs. The principal descriptions were Coriander (R14 lakhs), Cummin (R15 lakhs), Fennel (R4 lakhs) and Fenugreek (R1 lakh).

Hides and Skins (R8,47 Lakhs).—Exports of raw hides and skins declined by 16 per cent in quantity from 31,800 tons in 1939-40 to 26,600 tons in

1940-41 and by 25 per cent in value from R4,08 lakhs to R3,08 lakhs. Of the total quantity exported in 1940-41 raw hides represented 27 per cent and recorded a decrease from 11,800 tons valued at R79 lakhs to 7,200 tons valued at R61 lakhs. Shipments in the year under review consisted of 5,800 tons of raw cow hides ; 1,300 tons of buffalo hides and 100 tons of calf skins which are classified under raw hides. The following table shows the details for the past three years :—

—	Quantity			Value		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Raw cow hides	13,300	10,100	5,800	87	68	50
„ buffalo hides	1,800	1,500	1,300	12	10	9
„ other hides	300	200	100	3	1	2
„ goat skins	18,700	18,900	19,000	2,57	3,10	2,37
„ sheep skins	800	800	300	10	11	8
„ other skins	400	300	100	12	8	2
Total Hides and Skins, Raw excluding cuttings	35,300	31,800	26,600	3,81	4,08	3,08

Exports of raw cow hides fell from 10,100 tons valued at R68 lakhs in 1939-40 to 5,800 tons valued at R50 lakhs in 1940-41, of which the United Kingdom absorbed 2,300 tons or 40 per cent as against 3,500 tons or 35 per cent in the preceding year. Shipments to Italy fell from 1,000 tons to 90 tons only and those to Greece from 700 tons to 500 tons in 1940-41. Egypt also took less while shipments to the United States of America doubled and amounted to 1,800 tons. For price quotation, a reference may be made to table No. 54 appended to this Review.

Exports of buffalo hides declined from 1,500 tons valued at R10 lakhs in 1939-40 to 1,300 tons valued at R9 lakhs in the year under review. The United Kingdom increased her purchases from 200 tons valued at R1 lakh to 300 tons valued at R2 lakhs in 1940-41. Exports to the United States of America however remained fairly steady at about 300 tons. Shipments to Turkey totalled 200 tons as against 100 tons in 1939-40. Among other countries Iran took more than 200 tons. Shipments of calf skins also declined in quantity while the value recorded a slight increase and stood at R1½ lakhs. The principal customer was the United States of America.

Exports of raw skins declined from 20,000 tons to 19,400 tons in quantity and from R3,29 lakhs to R2,47 lakhs in value. Goat skins formed the bulk of these shipments, exports of which recorded a small increase from 18,900 tons to 19,000 tons in quantity but the value showed a fall of 24 per cent from R3,10 lakhs to R2,37 lakhs. The United States of America was, as usual, the largest purchaser and was followed by the United Kingdom. The former increased her takings from 13,200 tons to 15,000 tons while the latter reduced her purchases from 3,500 tons to 2,500 tons. France required 900 tons or 100 tons more than in 1939-40. Exports to Australia declined from 700 tons to 500 tons. Exports of sheep skins declined from 800 tons to 300

tons in quantity and from R11 lakhs to R8 lakhs in value. Shipments to the United Kingdom shrank from 160 tons to 60 tons only, while those to the United States of America rose from 70 tons to 130 tons in 1940-41. The participation of other countries in this trade was not of much importance. The average declared values, per lb. of the exports of raw goat skins and sheep skins was R0-8-9 and R1-3-1 as against R0-11-9 and R0-10-5, respectively, in 1939-40. For price quotation a reference is again invited to table No. 54.

There was a decrease in the exports of tanned hides and skins in the year under review which totalled 21,800 tons valued at R5,39 lakhs as against 31,900 tons valued at R6,98 lakhs in 1939-40. The following table shows the details for the past three years :-

	Quantity			Value		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Tons	Tons	Tons	R(lakhs)	R(lakhs)	R(lakhs)
Tanned cow hides	12,200	20,600	15,500	1,82	3,34	3,42
,, buffalo hides	1,200	3,000	1,800	15	39	27
,, other hides	1,400	2,200	1,900	31	59	54
,, goat skins	2,800	2,900	1,200	1,22	1,18	50
,, sheep skins	2,600	3,100	1,400	1.25	1,45	65
,, other skins	..	100	..	1	3	1
Total Hides and Skins, tanned	20,200	31,900	21,800	4,76	6,98	5,39

Exports of tanned cow hides fell in quantity by 25 per cent from 20,600 tons to 15,500 tons but higher prices accounted for an increase in value from R3,34 lakhs to R3,42 lakhs representing a rise of 2 per cent in the year under review. Almost the entire quantity was shipped to the United Kingdom. Exports of tanned buffalo hides amounted to 1,800 tons valued at R27 lakhs as compared with 3,000 tons valued at R39 lakhs. Shipments to the United Kingdom declined from 2,000 tons to 1,000 tons. Tanned calf skins destined chiefly to the United Kingdom, also fell from 2,200 tons valued at R59 lakhs to 1,800 tons valued at R53 lakhs in 1940 41.

Exports of tanned goat skins amounted to 1,200 tons valued at R50 lakhs as against 2,900 tons valued at R1,18 lakhs in 1939-40. Purchases by the United Kingdom fell heavily from 2,500 tons to 1,000 tons. Exports to the United States of America declined from about 400 tons to 200 tons. The United Kingdom also took the largest quantity of tanned sheep skins exported, *viz.*, 1,100 tons out of a total 1,400 tons as against 3,000 tons out of 3,100 tons in 1939-40. Japan was practically out of the market in 1940-41 as in the preceding year. The average declared values, per lb. of tanned goat skins and sheep skins were R1-13-8 and R2-1-10, as against R1-13-1 and R2-0-11, respectively, in 1939-40.

Exports.

Lac (R2,25 lakhs).—Shipments of lac declined in quantity from 760,000 cwts. in 1939-40 to 598,000 cwts. in the year under review but rose in value from R1,91 lakhs to R2,25 lakhs. The following table shows the details during the past three years :—

—	1938-39		1939-40		1940-41	
	Cwts.	Per cent	Cwts.	Per cent	Cwts.	Per cent
Shellac and button lac	404,200	63	456,600	60	388,300	65
Stick lac and seed lac	208,900	32	271,200	36	202,500	34
Others	30,700	5	32,100	4	6,500	1
TOTAL	643,800	100	759,900	100	597,800	100

Exports of shellac fell by 14 per cent in quantity from 432,000 cwts. in 1939-40 to 372,000 cwts. in 1940-41 but rose by 21 per cent in value from R1,23 lakhs to R1,49 lakhs. Shipments to the United States of America declined from 265,000 cwts. to 254,000 cwts. in 1940-41. The United Kingdom also curtailed her takings from 46,000 cwts. to 36,000 cwts. in the year under review. There were also reduced shipments to Japan, Brazil and France which amounted to 9.700 cwts., 6,700 cwts. and 5,400 cwts. in 1940-41 as against 15,300 cwts., 7.100 cwts. and 8,500 cwts., respectively, in the preceding year. Australia, on the other hand, increased her purchases from 6,500 cwts. to 11,200 cwts. in 1940-41. Exports of seed lac fell in quantity from 270,000 cwts. to 202,000 cwts. but the value rose from R55 lakhs to R67 lakhs in 1940-41. These were shipped almost entirely to the United States of America and the United Kingdom which took 188,000 cwts. and 13.000 cwts. as against 224,000 cwts. and 17,000 cwts., respectively, in the preceding year. Of the total exports of button lac amounting to 16,000 cwts. in 1940-41 as against 25,000 cwts. in 1939-40, the United Kingdom took 7,000 cwts. as against 12,000 cwts. in the preceding year. Exports to the United States of America, however, advanced by 2,000 cwts. to 6,000 cwts. Exports of other kinds of lac, including stick lac but excluding lac-dye, fell sharply from 33,000 cwts. to 7,000 cwts. in 1940-41. The principal destinations were the United States of America (3,000 cwts.) and Canada (2,000 cwts.). The following table shows the exports of stick lac from Bangkok and Singapore during the past three years :—

[In cwts.]

—	1938	1939	1940
To United States of America	95	..	Details not available.
„ Germany	11,130	12,483	
„ United Kingdom	94	120	
„ India	58,070	176,861	
TOTAL (ALL COUNTRIES)	74,785	224,010	15,062

In Calcutta, the price of T. N. Shellac was R28 per maund in the beginning of the year under review. It fell to R23-8 on April 26, and after remaining in the neighbourhood of R25 in the following weeks touched R20 on June

21 and further receded to R18 by July 5. Thereafter the price gradually improved to R25 on August 16, but fell again and at the end of August the price was quoted at R23-8. Up to the middle of October, the price ranged between R21 to R23 but firmed up later and rose to R34 on December 6. This level was not however maintained and the price slided back to R23 on February 21. The market then recovered and the price rose to R32 on March 21, the closing quotation (March 28) being R29.

Other Articles.—The following is a summary of the course of trade in the more important of the remaining articles of export :—

—	1938-39	1939-40	1940-41
	R (lakhs)	R (lakhs)	R (lakhs)
Tobacco	2,76	2,53	2,88
Fruits and vegetables	2,27	2,37	2,44
Oils	1,03	1,37	2,40
Coal and coke	1,36	1,93	1,90
Mica	1,14	1,77	1,48
Rubber, raw	72	94	92
Oilcakes	3,01	2,03	84
Coir manufactures	96	1,28	77
Spices	79	1,08	76
Hemp, raw	72	86	76
Provisions and oilman's stores	59	71	73
Fish	69	70	63
Dye stuffs	59	71	54
Manures	37	48	46
Paraffin wax	36	33	36
Drugs and Medicines	28	33	34
Coffee	75	73	24
Saltpetre	11	17	24
Bones for manufacturing purposes	24	22	12
Fibre for brushes, etc.	16	13	11

Tobacco (R2,88 lakhs)

Exports of tobacco in 1940-41 amounted to 75·3 million lbs. valued at R2,88 lakhs showing an improvement of 13·3 million lbs. in quantity and of R35 lakhs in value over the preceding year. Of the total quantity shipped in 1940-41 unmanufactured tobacco represented 93 per cent, exports of which increased from 57·6 million lbs. valued at R1,81 lakhs to 70·4 million lbs. valued at R1,77 lakhs. There was an improvement in the exports to the United Kingdom which amounted to 20·0 million lbs. as compared with 16·2 million lbs. in 1939-40. China also increased her requirements from 19·6 million lbs. to 24·0 million lbs. in 1940-41. Exports to Burma recorded an advance from 13·1 million lbs. to 16·3 million lbs. Aden and Dependencies took 6·7 million lbs. or about 2·4 million lbs. more than in the preceding year. Exports to other countries in 1940-41 included 1,086,000 lbs. to Ceylon, 678,000 lbs. to Hongkong, 655,000 lbs. to the Federated Malay States and 637,000 lbs. to the Straits Settlements. As regards manufactured tobacco, cigar is comparatively an unimportant item, exports of which were valued below R1 lakh as in the preceding year. Exports of Indian cigarettes, almost exclusively to Burma, improved from 1·3 million lbs. valued at R55 lakhs in 1939-40 to 1·9 million lbs. valued at R94 lakhs. The value of other manufactures of tobacco exported remained fairly steady at R16 lakhs.

Exports.

Coffee (R24 lakhs).

The total reported production of cured coffee in India during the season 1939-40 amounted to 34·8 million lbs. as compared with 40·1 million lbs. in the preceding season. Exports from British India fell considerably from 168,000 cwts. valued at R73 lakhs in 1939-40 to 52,000 cwts. valued at R24 lakhs in the year under review. Shipments to the United Kingdom shrank from 46,000 cwts. to 2,700 cwts. Exports to France, Iraq, Australia and Norway declined from 28,000 cwts., 11,000 cwts., 6,000 cwts. and 37,000 cwts. to 16,000 cwts., 6,600 cwts., 3,000 cwts. and 2,000 cwts., respectively, in the year under review. Shipments to the Bahrein Islands remained fairly steady at 5,000 cwts. while purchases by Arabia recorded an increase from 2,000 cwts. to 5,000 cwts.

Fruits and vegetables (R2,44 lakhs).

Exports of fruits and vegetables advanced in value from R2,37 lakhs in 1939-40 to R2,44 lakhs in 1940-41 of which fresh fruits and vegetables accounted for R54 lakhs (R75 lakhs) and fruits and vegetables, dried, salted or preserved, R1,90 lakhs (R1,62 lakhs); the figures in brackets represent the corresponding values in the preceding year. Exports of onions the principal item under the former group, totalled 1·3 million cwts. valued at R38 lakhs in 1940-41 as against 1·6 million cwts. valued at R57 lakhs in 1939-40. Shipments to Ceylon and the Straits Settlements advanced from 677,000 cwts. and 315,000 cwts. to 679,000 cwts. and 336,000 cwts. respectively, while those to Burma declined from 472,000 cwts. to 219,000 cwts. in the year under review. Coconuts were largely exported to Burma and total shipments numbered 5·5 million valued at R3 lakhs as against 3·5 million valued at R2 lakhs in the preceding year. Under dried, salted or preserved category, exports of cashew kernels rose from 12,800 tons valued at R1,24 lakhs to 14,700 tons valued at R1,61 lakhs. The bulk of these shipments consisting of 12,400 tons valued at R1,38 lakhs went to the United States of America.

Expressed in percentages, the share of the United States of America in the total value of the trade in fruits and vegetables, all sorts, in 1940-41 amounted to 57 per cent. of Ceylon 13 per cent. of Burma 8 per cent and of the United Kingdom 6 per cent, their respective shares in the preceding year being 42, 13, 13 and 14 per cent.

Oils (R2,40 lakhs).

There was a further improvement in the exports of oils which were valued at R2,40 lakhs in 1940-41 as compared with R1,37 lakhs in the preceding year. Animal and mineral oils form a very small proportion of this total and the trade is practically confined to essential and non-essential vegetable oils. Exports of non essential vegetable oils advanced from 7·2 million gallons valued at R1,12 lakhs to 12·9 million gallons valued at R2,15 lakhs. The table on the margin shows the details of these shipments. On the basis of values, the total trade was distributed in the following proportions: Burma 48 per cent; the United Kingdom and the Union of South Africa 7 per cent each; Mauritius and Dependencies 5 per cent; Egypt 4 per cent; the Straits Settlements, the United States of America and New Zealand 3 per cent each and other countries 20 per cent.

Exports of vegetable non-essential oils

(In thousand gallons)

	1938-39	1939-40	1940-41
Castor oil	1,103	1,954	1,205
Groundnut oil	3,888	4,927	8,703
Mustard oil	406	338	400
Linseed oil	264	903	1,855
Other sorts	496	799	701
TOTAL	6,157	7,221	12,864

Among essential oils, exports of sandal wood oil declined from 100,000 lbs. (R11 lakhs) to 91,000 lbs. (R9 lakhs). Purchases by the United Kingdom totalled 60,000 lbs. valued at R6 lakhs in 1940-41 as compared with 75,000 lbs. valued at R9 lakhs in 1939-40; while shipments to Japan receded to 500 lbs. valued at R6,000 only. Exports of lemongrass oil fell from 100,000 gallons to 84,000 gallons and of palmarosa oil, from 3,600 gallons to 3,500 gallons.

Spices (R76 lakhs).

There was a decline in the exports of spices, which amounted to 511,000 cwts. valued at R76 lakhs in 1940-41 as compared with 518,000 cwts. valued at R1.08 lakhs in the preceding year. Betelnuts and chillies represented 30 per cent and 57 per cent, respectively, of the total quantity shipped in 1940-41 and the balance was made up chiefly of ginger, pepper and cardamoms. Exports of chillies, mainly to Ceylon, advanced in quantity from 268,000 cwts. to 293,000 cwts. but the value fell from R43 lakhs to R42 lakhs; shipments of betelnuts on the other hand, declined from 157,000 cwts. (R17 lakhs) to 151,000 cwts. (R16 lakhs), there being smaller shipments to Burma which is, by far, the largest customer. There was a remarkable decline in the exports of cardamoms which totalled 5,000 cwts. valued at R8 lakhs in 1940-41 as against 17,000 cwts. valued at R31 lakhs in the preceding year. Exports of pepper also fell from 19,000 cwts. to about 11,000 cwts. while those of ginger declined from 54,000 cwts. to 49,000 cwts. in 1940-41.

Provisions and oilman's stores (R73 lakhs).

Indian provisions and oilmans' stores have only a limited market overseas exports of which were valued at R73 lakhs in 1940-41 as against R71 lakhs in the preceding year. The principal item under this group is *ghee*, which is exported largely to Burma, the Straits Settlements and other neighbouring territories. Exports during the year under review declined to 43,800 cwts. valued at R31 lakhs from 54,600 cwts. valued at R32 lakhs in 1939-40. Burma and the Straits Settlements took 15,100 cwts. and 14,600 cwts. as against 20,000 cwts. and 19,000 cwts., respectively, in 1939-40. The United Kingdom was, as usual, the chief market for pickles, chutneys and condiments, exports of which were valued at R6 lakhs as in 1939-40. Exports of butter, mainly to Burma fell from 6,900 cwts. valued at R7 lakhs to 5,800 cwts. valued at R5 lakhs. There were also decreased shipments of confectionery which were valued at R2 lakhs in the year under review.

Fish (R63 lakhs).

Exports of fish (excluding canned) declined from 358,000 cwts. valued at R70 lakhs in 1939-40 to 346,000 cwts. valued at R63 lakhs in the year under review. The chief item is dry fish of which the unsalted variety accounted for 172,000 cwts. and the salted, for 150,000 cwts. in 1940-41 as against 202,000 cwts. and 142,000 cwts., respectively, in the preceding year; while the exports of fishmaws and sharkfins improved from 6,200 cwts. to 7,700 cwts. in 1940-41. Of the total exports in 1940-41, Ceylon and Burma took 232,000 cwts. (R30 lakhs) and 103,000 cwts. (R28 lakhs) as compared with 237,000 cwts. (R36 lakhs) and 106,000 cwts. (R26 lakhs), respectively, in the preceding year. Exports to Hongkong were valued at R1½ lakhs as against R2 lakhs in 1939-40.

Exports.

There was a further recession in the exports of oilcakes which totalled 177,000 tons valued at R84 lakhs in 1940-41 as compared with 288,000 tons valued at R2,03 lakhs in the preceding year. Exports of groundnut cake, representing 78 per cent of the total quantity shipped in the year under review, recorded a decline from 232,000 tons to 139,000 tons in quantity and from R1,59 lakhs to R55 lakhs in value. The United Kingdom reduced her purchases from 136,000 tons to 93,000 tons. Among European countries Sweden and Denmark took 9,000 tons and 4,000 tons as against 14,000 tons and 7,000 tons, respectively, in 1939-40. Exports to Ceylon, however, further advanced from 18,000 tons to 25,000 tons. The United Kingdom is practically the only customer for Indian cotton and linseed cakes, shipments of which declined from 6,000 tons and 30,000 tons in 1939-40 to 3,000 tons and 20,000 tons, respectively, in 1940-41. There were practically no exports of coconut cake during the year under review. As regards other oilcakes, Ceylon continued to be the principal market for castor cake and rape and sesamum cake. Exports of the former fell from 1,000 tons to 100 tons and those of the latter from 14,000 tons to 12,000 tons in 1940-41.

Oil cakes (R84 lakhs).

There was a decline in the exports of manures *other than* oilcakes and saltpetre which amounted to 66,000 tons valued at R46 lakhs in 1940-41 as compared with 71,000 tons valued at R48 lakhs in 1939-40. Shipments of manurial bones including bonemeal, which represented 61 per cent of the total quantity exported in 1940-41 declined from 52,000 tons to 40,000 tons. Shipments of bonemeal to the United Kingdom and Ceylon advanced from 12,600 tons and 13,300 tons to 18,600 tons and 13,400 tons, respectively, in 1940-41. Exports of fish manures increased from 6,200 tons to 6,500 tons while those of hornmeal remained almost stationary at 2,000 tons.

Manures (R46 lakhs).

Exports of saltpetre totalled 196,000 cwts. valued at R24 lakhs as against 185,000 cwts. valued at R17 lakhs in the preceding year. Exports to the United Kingdom improved considerably over the preceding year and amounted to 98,000 cwts. in 1940-41. Shipments to Mauritius and Dependencies declined from 96,000 cwts. to 53,000 cwts. but those to Ceylon rose by 14,000 cwts. to 25,000 cwts.

Saltpetre (R24 lakhs).

Exports of raw hemp declined from 744,000 cwts. valued at R86 lakhs in 1939-40 to 595,000 cwts. valued at R76 lakhs in the year under review. Shipments to the United Kingdom amounted to 320,000 cwts. or 54 per cent of the total quantity exported in 1940-41 as against 373,000 cwts. or 50 per cent in the preceding year. Exports to the United States of America, on the other hand, advanced from 64,000 cwts. to 170,000 cwts.; while those to Belgium, recorded a sharp decline from 112,000 cwts. to 400 cwts. in 1940-41. Exports to France were also reduced from 72,000 cwts. to 40,000 cwts. Shipments to Greece and Italy declined from 36,000 cwts. and 15,000 cwts. to 16,000 cwts. and 3,000 cwts., respectively, in 1940-41.

Hemp, raw (R76 lakhs).

Exports of coir manufactures, other than rope, from British Indian ports decreased from 861,000 cwts. valued at R1,28 lakhs in 1939-40 to 503,000 cwts. valued at R77 lakhs in the year under review. Coir yarn accounted for 73 per cent of the total quantity shipped in 1940-41, exports having

Coir manufactures (R77 lakhs).

amounted to 365,000 cwts. valued at R33 lakhs as against 666,000 cwts. valued at R67 lakhs in 1939-40. The United Kingdom was as in the preceding year the foremost purchaser although shipments to that country declined from 196,000 cwts. to 173,000 cwts. Exports to the Netherlands, France and Italy also fell from 94,000 cwts., 44,000 cwts. and 31,000 cwts. to 21,000 cwts., 16,000 cwts., and 2,000 cwts. respectively. There were however increased shipments to Burma and the United States of America which totalled 53,000 cwts. and 35,000 cwts. as against 36,000 cwts. and 33,000 cwts., respectively, in 1939-40. Exports of coir mats and mattings declined from 123,000 cwts. to 91,000 cwts. of which the United Kingdom absorbed 32,000 cwts. as against 91,000 cwts. in the preceding year. Exports of other descriptions of coir manufactures, mainly to the United Kingdom, also receded from 72,000 cwts. to 47,000 cwts. Besides these, exports of coir manufactures from Travancore ports totalled 227,000 cwts. valued at R39 lakhs in 1940-41 as compared with 587,000 cwts. valued at R1,06 lakhs in the preceding year. These were, as usual, shipped chiefly to the United Kingdom.

Fibre (R11 lakhs).

Exports of fibres for brushes and brooms declined from 5,300 tons valued at R13 lakhs in 1939-40 to 4,900 tons valued at R11 lakhs in 1940-41. Shipments to the United Kingdom and the United States of America advanced from 1,900 tons and 1,300 tons to 2,100 tons and 1,400 tons. Shipments to Japan also improved by 200 tons.

Rubber raw (R92 lakhs).

The permissible exports in 1940 had been fixed at 80 per cent of the basic quota for the first two quarters, which was subsequently raised to 85 per cent for the third and then again to 90 per cent for the last quarter, making an average of 83¾ per cent for the whole year. The actual allotment for India in 1940 was 14,652 tons after making a reduction of a carry-over of 214 tons of excess shipments of the previous year. Against this quota, the debitable exports amounted to 13,023 tons making a short shipment of 1,629 tons For the first half of 1941 the quota has been further raised to full 100 per cent. The average price of spot sheet in London during 1940 was 12 $\frac{1}{16}$*d.* as against 9*d.* in 1939.

The recorded exports from British India totalled 19·6 million lbs. valued at R92 lakhs in 1940-41 as compared with 21·5 million lbs. valued at R94 lakhs in the preceding year Exports to the United Kingdom advanced sharply from 6·1 million lbs. in 1939-40 to 13·2 million lbs. in 1940-41. The United States of America, on the other hand, considerably curtailed her requirements from 9·6 million lbs. to 2·8 million lbs. Shipments to Ceylon remained fairly steady at 3·4 million lbs. Besides these, exports from Travancore amounted to 357,000 lbs. valued at R2 lakhs in 1940-41 as compared with 1·8 million lbs. valued at R9½ lakhs in 1939-40. These were destined mostly to the United States of America and the United Kingdom. The average declared value per lb. of exports including those from Travancore was 7 as. 6 p. in 1940-41 as against 7 as. 1 p. in the preceding year. A fairly large quantity of raw rubber is also imported into British India mainly from Burma. These consignments, which were received almost entirely into Bengal, totalled 7·5 million lbs. as in the preceding year but the value advanced from R19 lakhs to R32 lakhs.

Exports.

Paraffin wax (R36 lakhs).

Shipments of paraffin wax exclusively from Bengal remained almost stationary at 7,600 tons in quantity but the value rose from R33 lakhs to R36 lakhs in 1940-41. Exports to the United Kingdom, the principal customer declined from 5,700 tons to 5,300 tons, and those to China from 800 tons to 400 tons in the year under review. There were no exports to the Union of South Africa in 1940-41. Exports to other countries included 1,000 tons to France and 600 tons to Chile.

Dyeing and tanning substances (R54 lakhs).

Exports of dyeing and tanning substances declined from 1,429,000 cwts. valued at R71 lakhs in 1939-40 to 1,049,000 cwts. valued at R54 lakhs in the year under review. Shipments of myrobalans the most important item in this group, fell from 1,207,000 cwts. valued at R42 lakhs to 834,000 cwts. valued at R28 lakhs in 1940-41. The United Kingdom and the United States of America curtailed their respective purchases from 634,000 cwts. and 322,000 cwts. to 515,000 cwts. and 140,000 cwts. Shipments to France also declined from 44,000 cwts. to 18,000 cwts. and those to Australia and Belgium shrank from 34,000 cwts. and 18,000 cwts. to 18,000 cwts. and 2,000 cwts., respectively. Exports of myrobalan extracts, mainly to the United Kingdom, rose from 83,000 cwts. (R7 lakhs) to 91,000 cwts. (R9 lakhs) in 1940-41. There was, on the other hand, a decrease in the exports of turmeric which totalled 104,000 cwts. valued at R13 lakhs as against 120,000 cwts. valued at R19 lakhs in the preceding year. Exports of indigo have been insignificant in recent years, and those of cutch and gambier rose from 3,100 cwts. in 1939-40 to 3,300 cwts. in 1940-41.

Drugs and medicines (R34 lakhs).

Exports of drugs and medicines were valued at R34 lakhs in 1940-41 as compared with R33 lakhs in the preceding year. Exports of senna declined from 60,000 cwts. (R8 lakhs) to 49,000 cwts. (R6 lakhs). Shipments to the United States of America and the United Kingdom advanced from 21,000 cwts. and 6,000 cwts. to 23,000 cwts. and 9,000 cwts., respectively, but those to France fell from 8,000 cwts. to 3,000 cwts. Exports of nuxvomica fell from 26,000 cwts. to 19,000 cwts. in 1940-41 but those of unspecified drugs and medicines advanced in value by R3 lakhs to R27 lakhs. The principal customers in the year under review for the latter were Burma (R7 lakhs), Hongkong (R5 lakhs), the United Kingdom (R4 lakhs) and Ceylon (R2 lakhs).

Bones (R12 lakhs).

Exports of bones for manufacturing purposes declined from 30,000 tons valued at R22 lakhs to 17,000 tons valued at R12 lakhs. Belgium was, as usual, the principal customer, but her purchases fell from 19,000 tons to 15,000 tons. Exports to France also declined from 5,000 tons to 500 tons.

Postal Articles.

Imports and Exports.

The value of the imports of "Postal articles not specified" amounted to R1,35 lakhs in 1940-41 as compared with R1,76 lakhs in the preceding year.

Postal Articles.

Imports by post of (*a*) jewellery, (*b*) precious stones, (*c*) gold and silver thread, (*d*) cigarettes, (*e*) cinematograph films and (*f*) watches are not included in the above figures, but are recorded under the relevant heads. The share of the United Kingdom in the total imports declined from R1.12 lakhs to R85 lakhs with a slight fall in her percentage share from 61 to 63. The shares of Switzerland and France also declined from 12 per cent and 7 per cent to 6 per cent and 1 per cent, respectively; while those of Burma, United States of America and Japan advanced respectively from 5, 2 and 1 per cent to 12, 10 and 3 per cent. The value of the articles exported by post also declined from R2.19 lakhs to R2.06 lakhs. The principal destinations were the United Kingdom (R1.13 lakhs or 55 per cent), Ceylon (R51 lakhs or 25 per cent), Hongkong (R3 lakhs or 1·5 per cent) and Aden and Dependencies (R6 lakhs or 3 per cent).

Re-exports.

The value of the re-export trade in private merchandise advanced by 22 per cent from R9.65 lakhs in 1939-40 to R11.81 lakhs in the year under review. Re-exports of skins, raw which represented 44 per cent of the total trade as against 47 per cent in the preceding year rose from R4.51 lakhs (639 tons) to R5.17 lakhs (744 tons). Shipments in the year under review were mainly destined to the United States of America which took 728 tons (R5.15 lakhs) as against 321 tons (R2.11 lakhs) in 1939-40, while there was a sharp decline in the exports to the United Kingdom amounting to 12 tons valued at R1⅞ lakhs as against about 300 tons valued at R2.39 lakhs in 1939-40. The re-exports of wool, raw mainly to the United States of America declined from 16·4 million lbs. to 11·2 million lbs. but higher prices accounted for a rise in value from R58 lakhs to R79 lakhs in 1940-41. Re-exports of sugar totalled 5,000 tons valued at R16 lakhs in 1940-41 as against 24,000 tons valued at R55 lakhs. Exports of imported cotton piecegoods however recorded a noticeable increase from 16·7 million yards (R33 lakhs) to 43·6 million yards (R92 lakhs). Increases were also noticeable in the re-exports of instruments and vehicles, the values of which amounted to R46 lakhs and R74 lakhs as compared with R32 lakhs and R49 lakhs in the preceding year. Re-exports of metals and ores, mainly iron and steel, machinery and cotton, raw were valued at R43 lakhs, R32 lakhs and R15 lakhs as against R33 lakhs, R17 lakhs and R13 lakhs, respectively, in 1939-40. Exports of foreign silk manufactures, on the other hand, fell from R14 lakhs to R10 lakhs in 1940-41. The shares of the principal countries in the total trade in the year under review were as follows: The United Kingdom 2 per cent; the United States of America 51 per cent; Burma 16 per cent; Arabia and Iraq 4 per cent each and Ceylon and Egypt 3 per cent each. The bulk of the trade in the year under review passed through Sind which accounted for 49 per cent while Bombay had 34 per cent and Bengal 16 per cent.

CHAPTER IV.

The Direction of Overseas Trade.

The main features of the direction of India's trade in the year ended 31st March 1941, are shown in the following tables. Tables A, B and C illustrate the shares of the various foreign countries in India's total trade and tables D and E analyse the trade in particular commodities distinguishing the shares of the principal participating countries. It should be noted that the details shown in the tables below are based on the values of trade as actually recorded in the periods stated, and do not take any account either of the changes in the aggregate values or of the variations in the volume of trade consequent upon alterations in the price level:

TABLE A.

—	1938-39			1939-40			1940-41		
	Exports (including re-exports).	Imports	Net Imports (—) or Exports (+)	Exports (including re-exports).	Imports	Net Imports (—) or Exports (+)	Exports (including re-exports).	Imports	Net Imports (—) or Exports (+)
	R Crores	R Crores	R (Crores)	R Crores	R Crores	R (Crores)	R Crores	R Crores	R (Crores)
United Kingdom	58	46	+12	75	42	+33	65	36	+29
Burma	11	24	—13	13	31	—18	18	28	—10
Other British Possessions	21	18	+3	31	20	+11	38	26	+12
TOTAL BRITISH EMPIRE	90	88	+2	119	93	+26	121	90	+31
Europe	32	28	+4	24	20	+4	7	5	+2
United States of America	14	10	+4	27	15	+12	32	27	+5
Japan	15	15	..	14	19	—5	9	22	—13
Other Foreign Countries	18	11	+7	29	18	+11	30	13	+17
TOTAL FOREIGN COUNTRIES	79	64	+15	94	72	+22	78	67	+11
GRAND TOTAL	169	152	+17	213	165	+48	199	157	+42

TABLE B.

Imports.

—	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	30·5	25·2	23·0
Burma	16·0	19·0	18·2
United States of America	6·4	9·0	17·3
Japan	10·1	11·7	13·8
Straits Settlements	2·7	2·9	3·4
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra	2·9	2·9	3·2
Kenya and Zanzibar	3·4	2·1	2·3
Canada	0·6	0·8	1·9
China	1·1	1·6	1·8
Australia	1·6	1·4	1·6
Ceylon	0·8	0·9	1·4
Switzerland	1·1	1·1	0·8
Belgium	1·9	1·5	0·6
Union of South Africa	0·2	0·4	0·5
Java	0·3	2·0	0·5
France	0·9	0·9	0·4
Netherlands	0·9	0·9	0·3
Italy	1·8	1·2	0·3
Germany	8·5	4·0	0·1

Direction of Trade.

Table C.

—	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	34·1	35·4	34·8
United States of America	8·5	12·0	13·9
Burma	6·2	6·0	8·7
China	1·5	4·2	5·3
Japan	9·0	6·9	4·8
Australia	1·8	2·7	4·0
Ceylon	3·1	3·1	3·9
France	3·8	4·0	2·4
Argentina	1·8	1·7	2·2
Straits Settlements	1·3	1·3	1·8
Canada	1·3	2·0	1·7
Union of South Africa	0·9	1·5	1·6
Iran, Arabia, Iraq, Asiatic Turkey and Sumatra	1·6	1·3	1·4
Netherlands	2·7	1·2	0·2
Italy	1·6	1·0	0·2
Spain	0·1	0·4	0·2
Belgium	2·7	1·6	0·2
Germany	5·3	1·1	..

Table D.

Imports.

N.B.—In Tables D and E dots (..) indicate that the trade is either *nil* or insignificant.

—	Machinery			Hardware		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	58·9	60·9	62·9	38·1	37·8	38·6
United States of America	11·1	17·0	27·7	[illegible]·6	14·2	23·2
Sweden	[illegible]·3	1·8	0·9	6·2	6·7	1·6
Germany	16·1	9·4	0·2	[illegible]	21·2	0·1
Belgium	2·0	1·8	0·5	1·2	1·3	0·4
Japan	1·6	1·3	3·1	[illegible]	10·5	17·8
France and Luxemburg	0·2	0·5	0·3	0·8	0·7	0·2
Percentage of total trade represented by countries shown	92·1	92·7	95·6	92·3	92·7	81·9
Total value of trade R(lakhs)	19,05	14,66	11,16	2,57	2,27	2,0[illegible]

Direction of Trade.

Table D—*contd.*

—	Instruments		
	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	50·3	47·3	53·9
United States of America	15·0	19·5	22·9
Germany	17·0	8·6	0·2
Netherlands	2·6	3·8	1·6
Belgium	2·2	2·1	0·7
Japan	3·2	5·2	6·2
France	0·3	0·5	0·2
Italy	1·4	1·6	0·7
Canada	..	0·7	0·1
Percentage of total trade represented by countries shown	92·6	89·3	86·5
Total value of trade ₹ (lakhs)	5,85	3,58	4,99

—	Cotton manufactures			Silk manufactures			Artificial silk		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	40·3	32·1	24·7	0·8	0·8	1·3	5·4	2·8	3·5
United States of America	0·1	0·3	2·7	..	0·8	0·8	..	..	0·3
Germany	0·3	0·1	..	1·5	0·8		1·8	0·4	
Belgium	0·1	0·1	.	..	..		..	..	.
Japan	50·2	55·0	64·5	64·4	47·9	55·4	65·6	82·6	93·0
France	0·2	0·2	0·1	0·8	0·6	0·3	0·4	0·4	0·2
Switzerland	1·6	1·4	0·7	0·8	1·7	0·2	..	..	0·1
Italy	0·4	0·4	0·1	3·8	2·5	0·3	24·6	11·8	1·8
Netherlands	0·5	0·4	..	..	..	..	0·4	0·4	..
China	4·6	7·5	4·9	22·7	41·2	35·0	—	0·7	1·0
Java and the Straits Settlements	..	..	..	1·5	0·8	0·8	0·4	0·2	..
Percentage of total trade represented by countries shown	98·3	97·5	97·7	96·3	97·3	94·1	98·6	99·3	99·7
Total value of trade ₹ (lakhs)	14,15	14,05	11,35	1,32	1,19	96	2,24	4,50	5,44

Direction of Trade.

TABLE D—*concld.*

—	LIQUORS			PAPER AND PASTEBOARD		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	61·1	68·5	70·0	27·6	22·3	17·0
United States of America	6·6	6·8	8·3	1·5	6·9	44·7
Canada	..	.	.	0·2	2·0	15·0
Germany	7·1	3·2	.	19·5	11·8	0·3
France	11·4	9·1	3·5	0·3	0·9	0·5
Netherlands	6·6	4·1	1·4	4·6	4·6	1·3
Iran	.	..	.	.	.	.
Bahrein Islands	..	.	.	..	..	..
Borneo, Sumatra, etc.*	..	.	0·6	..	0·3	1·1
Norway	.	.		11·8	16·2	3·1
Sweden	..	.		12·1	18·2	4·2
Union of Socialist Soviet Republics			.	.		.
Austria				7·4	1·4	.
Australia	0·3	0·5	6·6	..	..	
Burma				..		0·1
Percentage of total trade represented by countries shown	93·1	92·2	98·4	84·0	84·6	87·3
TOTAL VALUE OF TRADE (LAKHS)	2,11	2,19	2,00	3,23	3,46	3,94

*Includes the Straits Settlements and Celebes and other Islands.

—	PROVISIONS AND OILMAN'S STORES, ETC.*		
	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent
United Kingdom	[illegible]	51·7	44·6
United States of America	[illegible]	7·6	10·3
Netherlands	7·7	8·0	2·2
Straits Settlements	10·5	9·1	14·5
Hongkong			0·3
Commonwealth of Australia	5·2	9·5	16·4
Germany	0·8	0·2	
Belgium	1·2	0·8	0·4
France	0·8	0·8	0·3
Italy	0·8	0·8	0·3
Japan	1·2	1·5	1·3
Percentage of total trade represented by countries shown	89·9	90·0	90·6
TOTAL VALUE OF TRADE (LAKHS)	2,48	2,63	2,26

Direction of Trade.

Table E.

Exports.

	Tea			Jute (Raw)			Jute Manufactures		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	87·4	81·1	90·6	26·2	37·5	40·1	10·4	24·9	16·5
Canada	4·2	6·9	3·8	0·1	0·5	0·6	3·0	3·6	3·3
Australia	0·4	0·9	0·1	0·3	0·5	1·5	7·6	7·5	9·1
Union of Socialist Soviet Republics	..			2·7	0·1		..	..	..
Iran, Arabia, Asiatic Turkey and Iraq	2·2	2·6	0·6	..	..	..	1·0	0·3	0·6
United States of America	2·0	3·1	2·5	1·0	10·2	16·6	26·4	22·8	27·9
Ceylon	1·1	2·5	0·7	..	..	..	0·2	0·1	0·1
Union of South Africa	0·1	0·2	..	..	..	..	1·0	3·8	3·5
Thailand	..	..	..	..	..	..	2·1	2·0	1·7
Egypt	0·1	0·2	0·1	0·2	0·2		2·4	2·3	3·2
Spain	..	..	..	1·5	3·0	3·1	..	.	
Germany	0·4	0·2		19·0	4·6		0·2		
France	..	..	..	11·2	14·5	13·5	0·1	0·2	1·0
Italy	..	..	..	6·9	5·1	3·1	..	..	..
Argentina	..	..	..	1·3	1·8	2·3	10·2	6·5	8·4
Java	..	..	..	..	..	0·2	2·4	2·5	1·6
Japan	..	..	..	2·1	2·2	3·7	0·3	0·1	0·1
Belgium	.	..	..	7·2	4·0	0·6	0·8	0·4	
Percentage of total trade represented by countries shown	97·9	97·7	98·4	83·7	85·1	87·3	70·1	77·0	77·0
Total value of trade R(lakhs)	23,29	26,31	27,75	13,40	19,83	7,85	26,26	48,72	45,38

	Cotton (Raw)			Oilseeds			Food Grains			Hides and Skins (Raw and Tanned)		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent	Per cent
United Kingdom	14·9	17·4	14·0	33·1	37·2	64·7	27·8	8·2	10·0	59·0	69·2	67·0
Iran, Arabia, Asiatic Turkey and Iraq	..	..	..	0·2	0·2	0·3	8·8	19·4	15·2	0·2	0·6	0·6
United States of America	1·7	3·9	4·8	0·7	1·0	4·2	0·4	1·0	0·7	18·6	20·1	24·5
Ceylon	0·3	0·2	0·2	0·6	0·7	1·4	19·3	28·0	33·4	0·1	0·1	0·1
Germany	0·7	1·5		10·0	6·4		4	..		4·7	1·1	..
France	0·1	8·7	6·8	13·1	12·2	7·9	0·8		0·5	3·4	2·2	3·1
Italy	2·9	1·5	0·2	2·9	2·4	0·3	0·1	..	..	1·4	1·0	0·1
Japan	17·[illegible]	37·7	29·9	..	0·1	0·4	..	..	..	0·7	0·1	0·2
Belgium	5·2	2·1	0·3	5·4	5·5	0·8	1·0			0·7	0·1	..
China	7·2	22·2	36·7	..	..	0·1	..	.	..	..	..	..
Netherlands	1·6	0·7	0·3	19·0	13·8	1·9	0·4	0·4	.	1·1	0·3	..
Straits Settlements	..	..	..	0·5	1·0	1·5	9	5	4·4	0·1	0·2	0·2
Spain		0·4	..	.	0·1	..	..		..	.	..	..
Sumatra and Java	..	..	..	0·1	0·1	0·2	..	..	..	.	0·1	..
Percentage of total trade represented by countries shown	93·8	94·3	93·2	85·6	93·5	83·7	68·7	56·3	64·2	90·0	95·3	95·8
Total value of trade R(lakhs)	23,86	30,11	23,56	15,06	11,84	9,99	7,74	5,09	5,92	8,57	11,97	8,47

Direction of Trade.

Table A shows the total overseas trade of India in private merchandise in such a way as to indicate the trade balances with the United Kingdom, Burma, other British Possessions, European countries, the United States of America, Japan and other foreign countries. It will be observed that concurrently with the decrease in exports to the United Kingdom there was also a fall in imports from that country with the result that the favourable trade balance which had amounted to R33 crores in 1939-40 declined to R29 crores in the year under review. India also enjoys a favourable balance in her trade relations with the other British Possessions excluding Burma, which, however, recorded an improvement from R11 crores in 1939-40 to R12 crores. As regards Burma, India had an adverse balance to the extent of R10 crores in 1940-41 as against R18 crores in the preceding year.

Tables B and C show the percentage distribution of India's import and export trade with the principal foreign countries arranged in order of their importance in the year under review. Comparing 1940-41 with 1939-40, the proportion of imports from the British Empire accounted for 57 per cent of the total import trade as against 56 per cent in the preceding year. As already mentioned, there was a contraction in the imports from the United Kingdom. Burma also suffered losses while there was an improvement in the contribution of the Straits Settlements, Ceylon, South Africa, East Africa, Australia, and Canada. As might be expected the shares of the European countries in imports recorded decreases. Larger proportion was, however, received from the United States of America, Japan, China and Iran, while the contribution of Java declined. On the export side the increased shares taken by Ceylon, Burma and Australia were sufficient to raise the percentage for the British Empire as a whole from 56 to 61 notwithstanding decreases in the shares of the United Kingdom and Canada. The shares of European countries were reduced. Decreases occurred also in the case of Japan, while China, the United States of America and Argentina took larger proportion than in 1939-40.

Further analysis of the direction of trade in respect of selected commodities or groups of commodities in imports (Table D) shows that the decrease in the share of the United Kingdom in India's import trade concentrated largely on cotton manufactures, paper and pasteboard and provisions, etc. Under machinery, the United Kingdom and the United States of America contributed 63 and 28 per cent of the total trade, their respective percentages in the preceding year being 61 and 17. The share of Japan advanced from 1 per cent to 3 per cent. In hardware, the decrease in the shares of the European countries was offset by increased participation of the United States of America and Japan. The share of the United Kingdom also showed a slight improvement from 38 to 39 per cent. Under instruments, the United Kingdom and the United States of America increased their respective contribution from 47 and 19 per cent to 54 and 23 per cent. Japan also improved her position from 5 to 6 per cent. The trade in cotton manufactures is largely controlled by the United Kingdom and Japan; the latter increased her percentage share from 55 to 64 at the expense of the United Kingdom whose share dropped from 32 to 25 per cent. Japan

also dominated the supplies of silk manufactures as well as artificial silk. Her share in the former rose considerably from 48 per cent to 55 per cent, while she almost monopolised the latter trade and supplied 93 per cent as against 83 per cent in 1939-40. China, however, reduced her share in cotton manufactures and silk manufactures from over 7 and 41 per cent to about 5 and 35 per cent respectively. Foreign liquors are chiefly imported from the United Kingdom which accounted for 70 per cent of the total imports as compared with 68 per cent in 1939-40. The United States of America also improved her share from 7 per cent to 8 per cent while Australia became a new source of supply in the year under review with more than 6 per cent of the total trade to her credit. In paper and pasteboard, the United Kingdom further lost by about 5 per cent of the trade and her share stood at 17 per cent; while the share of the United States of America rose from 7 per cent to 45 per cent. The share of Canada also rose from 2 per cent to 15 per cent. Norway and Sweden together accounted for 7 per cent as against 34 per cent in 1939-40. In provisions and chemicals, the United Kingdom was responsible for about 45 and 52 per cent as against 52 and 51 per cent, respectively, in the preceding year. In the former, the shares of the United States of America, the Straits Settlements and Australia recorded improvements. In chemicals, the participation of the United States of America advanced from about 19 per cent to 30 per cent but that of Japan fell from 8 per cent to 7 per cent.

On the export side (Table E) the United Kingdom, which is by far the largest purchaser, raised her share in India's exports of tea in 1940-41 from 81 to about 91 per cent, but there were decreases in the proportion sent direct to Canada and the United States of America. Ceylon also reduced her share. An improvement was noticeable in the proportion of exports of raw jute to the United Kingdom and the United States of America which absorbed 40 per cent and 17 per cent as compared with 37 per cent and 10 per cent, respectively, in the preceding year while the share of France declined from 14 to 13 per cent. Under jute manufactures, the United States of America improved her share from 23 to 28 per cent. The shares of Argentina and Australia also rose from 6 and 7 per cent to 8 and 9 per cent respectively, but the proportion sent to the United Kingdom declined from 25 to 16 per cent. In raw cotton, Japan gave way to China as the leading purchaser and her share declined from 36 per cent to 30 per cent while that of China rose from 22 per cent to 37 per cent. The United States of America also took more, but the share of the United Kingdom fell from 17 to 14 per cent. The United Kingdom was responsible for 65 per cent of the total value of oilseeds exported in 1940-41 as against 37 per cent in the preceding year. The United States of America also participated to a greater extent. Under food grains, the United Kingdom increased her purchases; the share of Ceylon also rose from 28 per cent to 33 per cent. There were also increases in the exports to the territories like Iran, Arabia and Iraq, but the share of the Straits Settlements declined. In hides and skins the decline in the share of the United Kingdom from 69 to 67 per cent was more than compensated by the increased participation of the United States of America from 20 to 24 per cent.

The British Empire.

The British Empire and Mandated Territories.

The imports from, and exports to, the United Kingdom and other British Possessions are shown in the following tables :—

Imports.

Countries	1938-39	1939-40	1940-41
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom	46,49	41,61	35,96
Ceylon	1,18	1,46	2,19
Burma	24,35	31,38	28,38
Straits Settlements	4,13	4,82	5,33
Hongkong	35	64	56
Union of South Africa	35	60	78
Kenya Colony, Zanzibar and Pemba	5,13	3,45	3,66
Canada	92	1,37	2,97
Australia	2,41	2,39	2,48
New Zealand	16	13	1,18
Other Countries	3,10	5,26	6,24
Total British Empire	88,57	93,11	89,73
British Empire other than Burma	*64,22*	*61,73*	*61,35*

Exports (including re-exports).

Countries	1938-39	1939-40	1940-41
	R(lakhs)	R(lakhs)	R(lakhs)
United Kingdom	58,25	75,35	65,26
Aden and Dependencies	1,11	99	82
Ceylon	5,36	6,74	7,70
Burma	11,10	13,47	18,67
Straits Settlements	2,17	2,74	3,40
Federated Malay States	37	49	72
Hongkong	82	99	1,31
Union of South Africa	1,53	3,09	3,09
Mauritius	87	89	96
Kenya Colony, Zanzibar and Pemba	69	93	2,27
Canada	2,14	4,12	3,17
Australia	2,98	5,50	7,35
New Zealand	43	73	1,30
Other Countries	2,46	3,51	5,06
Total British Empire	90,28	1,19,54	1,20,48
British Empire other than Burma	*79,18*	*1,06,07*	*1,02,41*

United Kingdom (Imports R35,96 lakhs, Exports R65,26 lakhs).—An examination of the tables given above shows that, compared with 1939-40, there was a decline of R5,65 lakhs or 14 per cent in India's imports from the United Kingdom, her exports to that country also fell by R10,09 lakhs or

13 per cent during 1940-41. The principal commodities imported from the United Kingdom are : machinery and millwork (R7,02 lakhs), cotton manufactures (R2,81 lakhs), instruments, etc. (R2,69 lakhs) which together accounted for 39 per cent of the total value of imports from the United Kingdom in 1940-41. Compared with the preceding year, the imports of machinery and millwork dropped by R1,91 lakhs ; and those of cotton manufactures, by R1,70 lakhs. Under cotton manufactures, twist and yarn declined from 3 million lbs. (R32 lakhs) to 1 million lbs. (R20 lakhs) and piecegoods, from 145 million yards (R3,62 lakhs) to 56 million yards (R1,93 lakhs). The decrease under piecegoods was shared by each variety ; grey goods dropped from 9 million yards (R20 lakhs) to 1 million yards (R5 lakhs), white goods, from 82 million yards (R1,89 lakhs) to 33 million yards (R97 lakhs) and coloured goods, from 54 million yards (R1,54 lakhs) to 22 million yards (R92 lakhs). The value of imports of woollen manufactures, however, showed an improvement of R2 lakhs and amounted to R48 lakhs. Imports of railway wagons, carriages and parts from the United Kingdom fell from R51 lakhs to R30 lakhs. The United Kingdom is the principal supplier to India of chemicals, the imports of which from that country rose by R54 lakhs to R2,87 lakhs. Instruments, apparatus, etc., also rose by R5 lakhs to R2,69 lakhs. Imports of hardware were valued at R80 lakhs as against R86 lakhs in 1939-40. Compared with 1939-40, the quantity of liquors imported receded from 2·5 million gallons to 2·3 million gallons, and the value fell from R1,50 lakhs to R1,40 lakhs. The number of motor cars imported from the United Kingdom fell from 5,344 in 1939-40 to 2,119 during 1940-41, but that of omnibuses rose from 557 to 1,002. Imports of rubber manufactures from the United Kingdom showed an improvement and were valued at R74 lakhs as against R47 lakhs in 1939-40. Paper and pasteboard recorded a fall from R77 lakhs to R67 lakhs.

The principal commodities exported to the United Kingdom were, as usual, tea (R25,13 lakhs), jute, raw and manufactured (R10,64 lakhs), seeds (R6,47 lakhs), hides and skins (R5,67 lakhs), raw cotton (R3,30 lakhs), raw wool (R1,35 lakhs), oilcakes (R51 lakhs) and foodgrains (R59 lakhs). These articles taken together represented 82 per cent of the total exports to the United Kingdom as against 88 per cent in the preceding year. Exports of tea advanced from 290 million lbs. valued at R21,33 lakhs to 315 million lbs. valued at R25,13 lakhs. Shipments of raw jute declined from 195,400 tons (R7,44 lakhs) to 94,800 tons (R3,15 lakhs). The exports of gunny bags also fell from 686 million (R7,99 lakhs) to 212 million (R3,65 lakhs). Concurrently the yardage of gunny cloth exported declined from 260 million (R4,08 lakhs) to 204 million (R3,17 lakhs). In the case of hides and skins, exports of tanned and dressed varieties fell from 30,000 tons to 20,000 tons, the corresponding decrease in value being from R6,63 lakhs to R4,99 lakhs. Raw hides and skins also fell from 7,500 tons (R1,03 lakhs) to 5,200 tons (R68 lakhs). Exports of raw skins of foreign origin amounted to 12 tons valued at about R2 lakhs as compared with 274 tons valued at R2,39 lakhs in 1939-40. Exports of oilseeds, however, rose from 311,000 tons (R4,41 lakhs) to 475,000 tons (R6,46 lakhs). Shipments of linseed amounted to 200,000 tons (R3,07 lakhs) as against 172,000 tons (R2,42 lakhs). Exports of groundnuts and rapeseed advanced to 214,000

tons and 23,000 tons, respectively from 108,000 tons and 16,000 tons in 1939-40. As in the preceding year, there were no exports of cotton seed; while those of castor seed further rose from 12,000 tons to 35,000 tons. Despatches of raw cotton to the United Kingdom totalled 52,000 tons or 291,000 bales (R3,30 lakhs) as against 84,000 tons or 470,000 bales (R5.24 lakhs). The total exports of food grains consisting mainly of pulse, rice and wheat to the United Kingdom amounted to 54,000 tons (R59 lakhs) as compared with 34,000 tons (R42 lakhs) in 1939-40. Despatches of raw wool to the United Kingdom fell from 33 million lbs. (R1,81 lakhs) to 26 million lbs. (R1,35 lakhs). Under oilcakes, exports of groundnut cake fell from 136,000 tons valued at R90 lakhs to 93,000 tons valued at R35 lakhs, and linseed cake from 29,000 tons valued at R21 lakhs to 20,000 tons valued at R14 lakhs. Metals and ores accounted for a rise of R35 lakhs. Among other articles of exports, paraffin wax declined from 5,700 tons (R27 lakhs) to 5,300 tons (R25 lakhs), while shipments of lac dropped from 77,000 cwts. to 58,000 cwts. in quantity but rose in value from R24 lakhs to R25 lakhs.

Burma (Imports R28,38 lakhs, Exports R18,07 lakhs). The aggregate value of the trade between the two countries during 1940-41 amounted to R46,45 lakhs as compared with R44,85 lakhs in 1939-40, the increase being noticeable in the case of exports while imports declined. India's principal imports from Burma consist chiefly of rice and teak wood. These together represented 52 per cent of the total imports from Burma in the year under review. Imports of rice not in the husk, during 1940-41, amounted to 1,173,000 tons (R12,50 lakhs) as against 1,767,000 tons (R16,65 lakhs) in 1939-40. Imports of teak wood amounted to 163,000 cubic tons as against 154,000 cubic tons in the preceding year the value advancing from R1,95 lakhs to R2,12 lakhs Imports of fruits and vegetables, chiefly potatoes, were valued at R22 lakhs.

On the export side, cotton and jute manufactures are the most important items which taken together accounted for R7,89 lakhs or 49 per cent of the total exports of Indian merchandise (R16,23 lakhs) to Burma in 1940-41. Shipments of cotton piecegoods amounted to 122 million yards (R3,35 lakhs) as against 110 million yards (R3,15 lakhs) in the preceding year. Exports of cotton twist and yarn also advanced from 15·2 million lbs. (R74 lakhs) to 14·3 million lbs. (R2,17 lakhs). On the other hand, the number of gunny bags shipped fell from 52 million to 51 million, but the value advanced from R1,77 lakhs to R2 03 lakhs. Among other items of exports to Burma, mention may be made of tea (3·0 million lbs. valued at R26 lakhs), tobacco (20·3 million lbs. valued at R1,38 lakhs), vegetable oils (6·8 million gallons valued at R1,03 lakhs) and sugar including molasses (7,000 tons valued at R19 lakhs).

Ceylon (Imports R2,19 lakhs, Exports R7,70 lakhs).—Statistics of India's trade with Ceylon include, to some extent, goods in transit through Ceylon which are not separately recorded in the Indian trade returns. The value of imports and exports given above should not, therefore be taken to indicate the exact trade balance between the two countries. In the year under review, the aggregate value of Indo-Ceylonese trade amounted to R9,89 lakhs as compared with R8,20 lakhs in the preceding year, there being increases both under imports and exports. The principal items of imports

into India from Ceylon are copra, coconut oil and tea, which taken together represented 73 per cent of the imports from that country in 1940-41. Imports of copra amounted to 82,700 tons (R1,34 lakhs) as against 35,700 tons (R68 lakhs) in 1939-40. Imports of coconut oil, on the other hand, fell from 2·6 million gallons (R29 lakhs) to 2·5 million gallons (R24 lakhs). Arrivals of tea declined from 248,000 lbs. to 179,000 lbs., the recorded value, however, remained stationary at R2 lakhs.

In the case of exports to Ceylon, rice not in the husk by far the most prominent item—was valued at R1,53 lakhs showing a rise of R12 lakhs over the preceding year. Cotton piecegoods, the next principal item of exports, also showed an improvement and amounted to 31·5 million yards (R94 lakhs) as compared with 23·5 million yards (R68 lakhs) in 1939-40. Exports of tea to Ceylon during 1940-41 totalled 2 million lbs. valued at R20 lakhs as against 7 million lbs. valued at R64 lakhs in 1939-40. Out of a total of 346,000 cwts. (R63 lakhs) of fish, excluding canned fish, exported from India in 1940-41, 232,000 cwts. (R30 lakhs) were consigned to Ceylon. Other important items of shipments to Ceylon in 1940-41 were fruits and vegetables (R31 lakhs), chillies (R30 lakhs), oilcakes (R22 lakhs), pulses (R33 lakhs) and manures, excluding oilcakes (R12 lakhs).

Straits Settlements (Imports R5,33 lakhs, Exports R3,40 lakhs). - The trade with the Straits Settlements showed an improvement during the year under review the value of imports and exports having advanced from R4,82 lakhs and R2,74 lakhs to R5,33 lakhs and R3,40 lakhs, respectively. India's imports from the Straits Settlements consist largely of spices, oils and tin, unwrought. The aggregate value of the imports of spices amounted to R1,37 lakhs, betelnuts alone being valued at R1,27 lakhs. Under oils imports of coconut oil amounted to 12 million gallons (R1,11 lakhs) as compared with 7 million gallons (R74 lakhs) in 1939-40. Purchases of tin unwrought, declined from 68,000 cwts. (R1,10 lakhs) to 51,000 cwts (R76 lakhs).

The principal items of India's exports to the Straits Settlements consist of cotton piecegoods and gunny bags. Exports of cotton piecegoods, chiefly coloured, totalled 34 million yards (R1,14 lakhs) as against 23 million yards (R73 lakhs) in 1939-40. The number of gunny bags exported fell from 10·6 million to 3·6 million, the value declining from R21 lakhs to R15 lakhs.

Australia (Imports R2,48 lakhs, Exports R7,35 lakhs). -Compared with the preceding year the value of imports into India from Australia recorded a slight rise while exports thereto improved to the extent of R1,85 lakhs. Wheat, the largest item of imports from Australia, declined from 85,000 tons (R61 lakhs) in 1939-40 to 19,000 tons (R20 lakhs). India imports a fairly large quantity of raw wool from Australia which during the year under review amounted to 6·7 million lbs. (R1,07 lakhs) as against 4·9 million lbs. (R49 lakhs) in the preceding year. Imports of tallow and stearine fell from 141,000 cwts. (R22 lakhs) to 76,000 cwts. (R13 lakhs) and those of zinc, from 214,000 cwts. (R23 lakhs) to 110,000 cwts. (R20 lakhs). Among other important items of imports, provisions and liquors accounted for R37 lakhs and R13 lakhs as against R25 lakhs and R1 lakh respectively in the preceding year.

The principal items of India's exports to the Commonwealth consist of jute manufactures. Nearly 73 million gunny bags (R3,43 lakhs) and 36 million yards of gunny cloth (R70 lakhs) were exported as against 71 million gunny bags (R2,80 lakhs) and 41 million yards of gunny cloth (R80 lakhs) in the preceding year. Exports of tea fell abruptly and shipments amounted to 0·6 million lbs. (R4 lakhs) as compared with 3·7 million lbs. (R24 lakhs) in 1939-40. Shipments of linseed further improved from 31,000 tons (R51 lakhs) to 35,000 tons (R57 lakhs).

Canada (Imports R2,97 lakhs, Exports R3,17 lakhs).—Compared with the preceding year, the total trade between Canada and India rose by R65 lakhs. The increase was due to an improvement of R1,60 lakhs under imports while exports recorded a setback from R4,12 lakhs to R3,17 lakhs. Imports of paper and pasteboard recorded an advance from 62,000 cwts. (R7 lakhs) to 387,000 cwts. (R59 lakhs). Arrivals of aluminium rose from 1,700 cwts. (R1 lakh) to 2,300 cwts. (R7 lakhs). Imports of carbide of calcium, however, fell from 34,500 cwts. to 33,700 cwts. in quantity while the value rose from R5 lakhs to R6 lakhs. The value of rubber manufactures imported during the year amounted to R3 lakhs as against R2 lakhs in 1939-40.

India's principal exports to Canada are jute manufactures (chiefly gunny cloth) and tea. The exports of gunny cloth decreased from 134 million yards to 102 million yards in quantity and from R1,62 lakhs to R1,43 lakhs in value; and those of gunny bags, from R9 lakhs to R7 lakhs. Exports of tea declined from 27·1 million lbs. valued at R1,82 lakhs to 14·5 million lbs. valued at R1,06 lakhs. Despatches of Indian carpets and rugs to Canada were valued at R13 lakhs as compared with R8 lakhs in 1939-40.

Union of South Africa (Imports R78 lakhs, Exports R3,09 lakhs).—India's import trade with the Union of South Africa during the year under review recorded an improvement, while exports remained fairly steady, the total trade being valued at R3,87 lakhs as against R3,69 lakhs in 1939-40. The Union of South Africa is the sole supplier to India of tanning barks imports of which fell from 698,000 cwts. to 658,000 cwts. in quantity the value remaining almost steady at R44 lakhs.

The principal items of India's exports to the Union consist of jute manufactures and rice not in the husk. Shipments of jute bags fell from 38 million to 36 million in quantity and from R1,49 lakhs to R1,27 lakhs in value; and those of gunny cloth from 19 million yards valued at R35 lakhs, to 13 million yards valued at R29 lakhs. Exports of rice, not in the husk, also recorded a setback from 31,000 tons (R39 lakhs) to 24,000 tons (R34 lakhs).

East Africa (Imports R4,44 lakhs, Exports R2,98 lakhs).—In this group of territories are included Kenya Colony, Zanzibar and Pemba, the Protectorate of Uganda and Nyasaland, Tanganyika and British Somaliland. The total value of the trade with these territories taken together advanced from R5,07 lakhs in 1939-40 to R7,42 lakhs in the year under review. Imports from these countries are larger than exports thereto. Raw cotton and spices continued to be the principal items of imports. Compared with the preceding year, arrivals of raw cotton rose from 36,000 tons (R3,24 lakhs) to 39,000 tons (R3,91 lakhs), while the imports of spices, chiefly cloves, fell from R40 lakhs to R24 lakhs.

Direction of Trade.

The chief items of India's exports to East Africa are gunny bags, cotton piecegoods and food grains, which taken together accounted for more than 65 per cent of the exports during the year under review. . Shipments of gunny bags fell from 9·2 million (R33 lakhs) to 6·6 million (R22 lakhs). Exports of cotton piecegoods, however, advanced from 6·8 million yards (R14 lakhs) to 72·7 million yards (R1,51 lakhs). Food grains, chiefly rice and wheat flour exported, declined from 7,700 tons (R15 lakhs) to 5,200 tons (R9 lakhs).

Foreign Countries.

The following tables show the imports from and exports to the principal European and other foreign countries :—

Imports.

Countries	1938-39	1939-40	1940-41
	R(lakhs)	R(lakhs)	R(lakhs)
European Countries—			
Union of Socialist Soviet Republics	20	19	..
Sweden	1,36	1,48	41
Norway	52	85	19
Denmark	31	18	6
Germany	12,96	6,69	10
Netherlands	1,43	1,45	45
Belgium	2,92	2,55	93
France	1,40	1,44	61
Spain	11	9	5
Switzerland	1,60	1,83	1,24
Italy	2,69	2,05	54
Austria	47	10	..
Hungary	28	17	5
Czechoslovakia	1,03	58	9
Other Countries	1,01	78	18
Total European Countries	28,29	20,43	4,90
Other Foreign Countries—			
Arabia	27	34	37
Iraq	46	68	49
Iran	3,49	3,12	3,40
Java	51	3,37	74
Borneo (Dutch)	68	35	54
Thailand	9	53	27
French Indo-China	14	2,60	48
China	1,73	2,62	2,85
Japan	15,41	19,28	21,55
Egypt	2,19	2,84	2,75
Portuguese East Africa	34	24	49
United States of America	9,78	14,86	27,00
Other Countries	42	91	1,23
Total Other Foreign Countries	35,51	51,74	62,16

Foreign Countries.

Exports (including re-exports).

Countries	1938-39	1939-40	1940-41
European Countries—	R(lakhs)	R(lakhs)	R(lakhs)
Union of Socialist Soviet Republics	38	2	..
Sweden	57	70	13
Norway	56	87	3
Poland	45	21	..
Germany	8,70	2,98	..
Netherlands	4,44	2,56	33
Belgium	4,48	3,21	32
France	6,23	8,15	4,55
Spain	22	75	41
Italy	2,64	2,08	38
Austria	3	..	
Hungary	5	6	2
Greece	45	41	40
Turkey, European	19	16	13
Turkey, Asiatic	21	11	5
Other Countries	2,59	1,47	40
Total European Countries	32,19	23,74	7,15
Other Foreign Countries—			
Egypt	1,26	1,78	3,25
Arabia	1,22	1,35	1,52
Iraq	67	89	1,38
Iran	85	94	65
Java	75	1,44	1,06
Thailand	70	1,04	91
China	2,50	8,51	10,10
Japan	14,82	14,16	9,19
Portuguese East Africa	73	1,00	62
United States of America	14,29	27,18	31,94
Cuba	59	82	73
Argentina	2,88	3,55	4,02
Chile	20	29	43
Other Countries	5,29	7,34	5,24
Total Other Foreign Countries	46,75	70,29	71,04

As a result of the situation brought about by the war, India's trade with Europe was extremely limited during the year under review and has not therefore been dealt with separately.

Japan (Imports R21,55 lakhs, Exports R9,19 lakhs).—Imports from Japan into British India during the year under review rose from R19,28 lakhs to R21,55 lakhs; while exports thereto declined from R14,16 lakhs to R9,19 lakhs. The principal articles of imports were cotton manufactures (R7,32 lakhs), artificial silk (R5,06 lakhs), wool manufactures (R93 lakhs), silk manufactures (R53 lakhs), glass and glassware (R51 lakhs), hardware (R37 lakhs), paper and paste-board (R27 lakhs), rubber manufactures (R13 lakhs), electrical instruments and apparatus (R18 lakhs), machinery and millwork (R35 lakhs), earthenware and porcelain (R15 lakhs), toys and requisites for games and sports (R9 lakhs), stationery (R10 lakhs) and paints and painters' materials (R3 lakhs). These together represented 74 per cent of the total imports in 1940-41. Japan has since displaced the United

Kingdom as the principal supplier of cotton piecegoods to India, and imports in 1940-41 were valued at R5,66 lakhs, as against R5,13 lakhs in the preceding year. The table on the margin shows the quantities of the different descriptions of cotton piecegoods imported during the last three years. Imports of cotton twist and yarn fell from 27·2 million lbs. (R2,42 lakhs) to 11·8 million lbs. (R1,35 lakhs). Imports of cotton hosiery, however, rose by R2 lakhs in value and amounted to R11 lakhs. Imports of silk manufactures, which were valued at R53 lakhs, recorded a fall of 5 per cent. Imports of artificial silk yarn and manufactures, on the other hand, rose sharply in value from R3,79 lakhs to R5,06 lakhs. Imports of woollen manufactures, machinery and millwork and hardware together recorded an improvement of R50 lakhs or 30 per cent while rubber manufactures, earthen-ware and porcelain and toys and requisities for games, etc., together recorded a decline of R22 lakhs or 37 per cent.

(In million yards)

	1938-39	1939-40	1940-41
Grey	227·2	223·2	168·2
White	69·9	43·0	61·4
Coloured, etc.	127·7	127·1	138·5

India's exports to Japan consist mainly of raw cotton, pig iron, manganese ore, jute (raw and manufactured), mica, shellac, etc. Shipments of raw cotton fell from 189,000 tons (R10,77 lakhs) to 126,000 tons (R7,05 lakhs). This represented 78 per cent of the total exports to Japan as against 77 per cent in the preceding year. Despatches of raw jute declined from 14,000 tons to 9,000 tons in quantity and from R43 lakhs to R29 lakhs in value. Exports of gunny bags rose from 0·6 million (R2 lakhs) to 1·0 million (R4 lakhs). Exports of mica fell from 25,000 cwts. to 5,000 cwts in quantity and from R42 lakhs to R12 lakhs in value. Despatches of shellac recorded a drop of 33 per cent in quantity from 15,000 cwts. to 10,000 cwts., the value remaining stationary at R4 lakhs. Exports of castor seed amounted to 3,000 tons (R4 lakhs) in 1940-41, as against 7,000 tons (R10 lakhs) in the preceding year.

United States of America (Imports R27,00 lakhs, Exports R31,94 lakhs).—Compared with the preceding year, the trade with the United States of America recorded a remarkable increase imports and exports advancing from R14,86 lakhs and R27,18 lakhs to R27,00 lakhs and R31,94 lakhs, respectively. The principal items of India's imports from the United States of America in the year under review consisted of machinery and millwork, instruments, tobacco unmanufactured, chemicals, dyeing and tanning substances, paper and pasteboard and raw cotton. These items taken together represented 43 per cent of the total imports into India from the United States of America during the year under review as compared with 29 per cent in the preceding year. Imports of machinery and millwork rose in value from R2,49 lakhs to R3,09 lakhs. There was, however, a considerable improvement in the imports of paper and pasteboard which advanced from 0·2 million cwts. (R24 lakhs) to 1·1 million cwts. (R1,76 lakhs). The values of dyeing and tanning substances also recorded a substantial rise from R24 lakhs to R2,38 lakhs. Receipts of chemicals were valued at R1,69 lakhs as compared with R84 lakhs in 1939-40. The total value of instruments imported amounted to R1,14 lakhs as against R1,09 lakhs in the preceding year. Tobacco, unmanufactured, was imported to the extent of 6·3 million lbs. (R76 lakhs) as compared with 3·7 million lbs. (R55 lakhs) in 1939-40.

Imports of raw cotton, however, declined and amounted to 8,700 tons (R80 lakhs) as against 9,000 tons (R89 lakhs) in 1939-40. Imports of zinc, on the other hand, advanced from 12,000 cwts. (R2 lakhs) to 257,000 cwts. (R59 lakhs).

India's principal exports to the United States of America consisted of jute raw and manufactured, hides and skins, lac, fruits and vegetables, cotton raw and raw wool. These items taken together represented 79 per cent of India's exports to the United States of America in 1940-41. Despatches of Indian raw jute during the year under review amounted to 46,000 tons valued at R1,30 lakhs as compared with 51,000 tons valued at R2,02 lakhs in the preceding year. Exports of jute cloth, however, rose to 872 million yards from 764 million yards in 1939-40 and the value advanced by R1,93 lakhs to R12,34 lakhs. There was a lesser demand for gunny bags, exports of which totalled 6·3 million (R16 lakhs) as compared with 12·5 million (R35 lakhs) in the preceding year. Shipments of lac also recorded a setback from 501,000 cwts. to 452,000 cwts. in quantity but the value rose from R1,23 lakhs to R1,65 lakhs. Under hides and skins, despatches of raw goat skins which formed the bulk of the shipments in this group, rose by 2,000 tons to 15,000 tons the value, however, showed a decline from R1,94 lakhs to R1,60 lakhs. Exports of tanned and dressed hides and skins amounted to 958 tons (R22 lakhs) as against 1,068 tons (R16 lakhs) in the preceding year. Exports of imported raw skins, however, improved from 321 tons (R2,11 lakhs) to 728 tons (R5,15 lakhs). Shipments of fruits and vegetables, consisting mainly of cashew kernels, were valued at R1,39 lakhs as compared with R98 lakhs in 1939-40. The value of raw wool exported showed a decline of R1,08 lakhs over 1939-40 and stood at R29 lakhs Besides, raw wool of foreign origin was exported to the extent of 10·4 million lbs. valued at R75 lakhs as compared with 15 1 million lbs. valued at R55 lakhs in 1939-40. Exports of raw cotton totalled 22,000 tons (R1,14 lakhs) as against 21,800 tons (R1,18 lakhs). Direct shipments of tea to the United States of America fell from 13 million lbs. to 9 million lbs. the corresponding fall in value being from R82 lakhs to R68 lakhs. As in the preceding year, there was no demand for Indian linseed but exports of castor seed, totalled 14,000 tons valued at R30 lakhs as against 13,000 tons valued at R28 lakhs in 1939-40.

China (Imports R2,85 lakhs, Exports R10,10 lakhs). India's trade with China during the year under review continued to improve, the value of imports and exports advancing from R2,62 lakhs and R8,51 lakhs to R2,85 lakhs and R10,10 lakhs, respectively. Under imports, arrivals of cotton piecegoods and twist and yarn declined to 14 million yards (R21 lakhs) and 3·5 million lbs. (R33 lakhs) as against 20 million yards (R31 lakhs) and 10·8 million lbs. (R75 lakhs), respectively, in 1939-40. Imports of raw silk (1·4 million lbs. valued at R59 lakhs) rose by R17 lakhs and those of silk piecegoods (2·0 million yards valued at R14 lakhs) fell by R5 lakhs. Imports of tea also showed a decline.

Larger shipments of raw cotton accounted for the improvement in exports; 135,000 tons of raw cotton valued at R8,65 lakhs were shipped to China as compared with 122,000 tons valued at R6,68 lakhs in 1939-40. Shipments of both gunny bags (R11 lakhs) and cloth (R1 lakh), however, declined.

Direction of Trade.

South America (Imports R10 lakhs, Exports R5,41 lakhs).—There was a substantial improvement in the trade with the South American countries. The aggregate value of imports amounted to R10 lakhs as against R5 lakhs in 1939-40. In the year under review, India purchased fairly large quantities of nitrate of soda from Chile valued at R1½ lakhs. 300 tons of raw cotton valued at R3 lakhs were imported from Peru while Argentina sent raw wool worth R1 lakh.

On the export side, the principal items were, as usual, jute bags and cloth exports of which were valued at R4,56 lakhs as compared with R3,99 lakhs in 1939-40. Argentina took 1·7 million gunny bags valued at R7 lakhs; Chile, 9·3 million bags valued at R27 lakhs and Peru, 7·2 million bags valued at R25 lakhs. Shipments of gunny cloth to Argentina amounted to 210 million yards valued at R3,71 lakhs as compared with 217 million yards valued at R3,05 lakhs in 1939-40. Exports to Peru and Uruguay were comparatively small and amounted to 2·2 million yards and 10·9 million yards, respectively. Brazil took 12,000 tons of raw jute as against 34,000 tons and Argentina 8,000 tons as against 15,700 tons in the preceding year. Chile took 96,000 lbs. of tea as against 21,000 lbs. in 1939-40.

CHAPTER V.

Foreign Sea-borne Trade of the Maritime Indian States.

The trade, so far dealt with in this Review, relates to that recorded at British Indian ports. This, no doubt, includes the overseas trade of most of the non-maritime Indian States, which are interlaced with British Indian territories. A fairly large volume of foreign trade also passes through the ports in the maritime States in Kathiawar, *viz.*, Bhavnagar, Nawanagar, Morvi, Baroda, Porbandar, Junagadh and Jafarabad. Travancore, owing to her geographical situation, is also interested in sea-borne trade. The volume of the foreign trade of these States, however, bears only a small proportion to the volume of trade recorded at British Indian ports. The total imports into these States during 1940-41 formed only 2·3 per cent of the imports in the same year into British Indian ports as compared with 3·7 per cent in the preceding year; while the proportion of exports was 1·4 per cent as against 2·3 per cent in 1939-40.

I KATHIAWAR.

The table below gives a summary of the trade of the Kathiawar ports for the past three years

(In thousands of Rupees)

	1938-39	1939-40	1940-41
Total value of imports of foreign merchandise .	3,47,66	4,85,23	2,40,30
Total value of exports of Indian merchandise .	3,80,88	3,07,85	1,76,03
Total value of exports of foreign merchandise .	56	7,41	7

Generally speaking, imports into Kathiawar ports are greater than exports therefrom, and in 1940-41 imports exceeded exports by R71 lakhs. Re-exports from these ports are comparatively of little importance being valued at R7,000 in 1940-41. It should be noted that a substantial portion of the imports of foreign merchandise into these States ultimately finds its way into British India across the Viramgam Dhandhuka land customs line. Imports into British India of foreign goods across the land customs line were valued at R1,70 lakhs and R91 lakhs during 1939-40 and 1940-41, respectively; while imports of foreign merchandise into the Kathiawar States during the respective years were valued at R4,85 lakhs and R2 17 lakhs.

Imports.

The following table shows the value of the principal articles of foreign merchandise imported by sea into the Kathiawar States during the years

1938-39, 1939-40 and 1940-41, together with the percentage share of each in relation to the total value of imports in those years :—

—	1938-39	1939-40	1940-41	Percentage on total value of imports of merchandise in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
Machinery and millwork . .	39,73	23,10	33,95	11·4	4·8	13·8
Sugar	28,58	1,09,54	23,04	8·2	22·7	9·3
Grain, pulse and flour . . .	32,06	59,25	18,65	9·2	12·2	7·6
Wood and timber	16,16	15,21	14,85	4·6	3·1	6·0
Cotton, raw	3,52	9	1,39	1·0	..	0·6
Cotton manufactures . . .	43,67	45,71	12,82	12·6	9·4	5·2
Fruits and vegetables . . .	9,97	8,64	11,83	2·9	1·8	4·8
Instruments, apparatus and appliances	10,99	14,28	9,00	3·2	2·9	3·6
Paper and pasteboard . . .	11,76	11,04	5,33	3·4	2·3	2·1
Silk manufactures. . . .	1,00	1,65	3,56	0·3	0·3	1·4
Artificial silk	1,40	1,12	3,12	0·4	0·2	1·3
Hardware	5,10	6,87	1,47	1·5	1·4	0·6
Starch, dextrine and farina . .	9,98	7,84	24	2·9	1·6	..
Total Imports .	3,47,66	4,85,23	2,46,90	100	100	100

Some of the salient features of the import trade are briefly noted below:

The principal feature of the year was the very marked fall in the imports of sugar, mainly 23 D. S. and above from Java, imports recording a decline of 85 per cent in quantity from 86,500 tons in the preceding year to 12,700 tons, the value decreasing from about R1,09½ lakhs to a little over R23 lakhs.

Imports of machinery and millwork rose in value from R23 lakhs to R34 lakhs during the year under review There were smaller imports of grain, pulse and flour consisting mainly of rice from Burma during the year under review, which were valued at R19 lakhs as against R59 lakhs in the preceding year. Cotton manufactures accounted for 5·2 per cent of the total value of imports in 1940-41 and were valued at R13 lakhs as compared with R46 lakhs in the preceding year. Of this, piece-goods (excluding fents) accounted for R12 lakhs as against R45 lakhs in 1939-40. The United Kingdom and Japan were, as usual, the principal sources of supply, their respective shares being 3½ million yards (R7 lakhs) and 3 million yards (R5 lakhs).

Trade of Kathiawar States.

The following table shows the shares of the principal supplying countries in the total value of imports during the three years 1938-39, 1939-40 and 1940-41 :—

—	1938-39	1939-40	1940-41	Percentage share in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
United Kingdom	1,21,70	1,21,85	78,45	35·0	25·1	31·8
Burma	69,65	82,40	40,96	20·0	17·0	16·6
United States of America . .	7,49	16,13	28,24	2·2	3·3	11·4
Java	26,50	1,08,36	22,52	7·6	22·3	9·1
Japan	15,15	20,08	14,53	4·4	4·1	5·9
Belgium	8,57	8,83	86	2·5	1·8	0·3
Germany	53,47	28,85	53	15·4	6·0	0·2
Netherlands	9,60	6,19	53	2·8	1·3	0·2
Other countries	35,53	92,54	60,28	10·1	19·1	24·5
TOTAL .	3,47,66	4,85,23	2,46,90	100	100	100

The following table shows the shares of the different States in the total value of the imports during these years : –

—	1938-39	1939-40	1940-41	Percentage share in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
Baroda . . .	60,74	95,19	76,43	17·5	19·6	31·0
Morvi . . .	72,04	1,30,87	50,79	20·7	27·0	20·6
Nawanagar . .	93,84	1,21,64	35,43	27·0	25·1	14·3
Bhavnagar . .	50,95	57,17	30,05	14·7	11·8	12·1
Porbandar . .	27,94	33,91	29,43	8·0	7·0	12·0
Junagadh . .	42,03	46,43	24,74	12·1	9·5	10·0
Jafarabad . .	12	2	3	..	..	..
TOTAL .	3,47,66	4,85,23	2,46,90	100	100	100

Trade of Kathiawar States.

Exports.

Exports during the year were valued at R1,76 lakhs as against R3,08 lakhs in 1939-40. The principal articles of exports were raw wool, seeds, raw cotton, groundnut cake, *ghi* and groundnut oil, which together represented 71 per cent of the total exports during the year. Exports of other articles included building and engineering materials, cotton piecegoods and cotton waste, which together accounted for 25 per cent of the total exports. The following table shows the shares of the principal articles exported during each of the three years ending 1940-41 : –

—	1938-39	1939-40	1940-41	Percentage on the total value of exports of merchandise in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
Wool, raw . .	60,41	97,08	1,01,96	15·9	31·5	57·9
Seeds . . .	1,93,88	1,16,03	12,75	50·9	37·7	7·2
Ghi . . .	6,78	5,85	4,59	1·8	1·9	2·6
Groundnut cake .	34,17	19,11	4,53	9·0	6·2	2·6
Cotton, raw . .	52,68	38,00	91	13·8	12·3	0·5
Groundnut oil . .	5,24	79	37	1·3	0·3	0·2
All other articles .	27,72	30,99	50,92	7·3	10·1	29·0
TOTAL EXPORTS .	3,80,88	3,07,85	1,76,03	100	100	100

It will be seen from the above table that raw wool which formed the most important item in the year under review represented 57·9 per cent of the total exports in 1940-41 as compared with 31·5 per cent in the preceding year; practically, the entire exports were as usual destined to the United Kingdom. Of the total shipments of 8,600 tons of oilseeds (R13 lakhs) in 1940-41, groundnuts accounted for 3,400 tons valued at R4 lakhs as against 85,100 tons valued at R1,13 lakhs in 1939-40, the United Kingdom taking 3,100 tons as compared with 51,500 tons in the preceding year. Exports of castor seed, almost entirely to the United Kingdom, amounted to 5,100 tons valued at R9 lakhs, as compared with 2,200 tons valued at R3 lakhs in 1939-40. Shipments of raw cotton also declined from 9,500 tons (R38 lakhs) in 1939-40 to 169 tons (R1 lakh). The United Kingdom was the principal purchaser of groundnut cake, shipments of which totalled 12,100 tons (R4½ lakhs) or 2·6 per cent of the total exports as against 43,300 tons (R19 lakhs) or 6·2 per cent in 1939-40. Exports of *ghi* chiefly to African ports were valued at R5 lakhs as against R6 lakhs in 1939-40.

Trade of Kathiawar States.

The table below shows the shares of the principal countries in the total value of the exports from the Kathiawar States during the three years 1938-39 to 1940-41 :—

—	1938-39	1939-40	1940-41	Percentage share in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
United Kingdom .	2,10,91	1,81,69	1,27,92	55·4	59·0	72·7
Burma . . .	8,70	9,69	6,60	2·3	3·1	3·7
France . . .	13,34	9,89	83	3·5	3·2	0·2
Japan . . .	5,64	7,05	30	1·5	2·3	0·2
Belgium . . .	43,06	23,56	..	11·3	7·7	
Egypt . . .	49,22	22,79	..	13·0	7·4	..
Netherlands . .	11,24	4,31		2·9	1·4	..
Germany . .	14,46	2,26	..	3·8	0·7	..
Italy . . .	53	17	.	0·1	0·1	..
Other countries .	23,78*	46,44*	40,88	6·2	15·1	23·2
TOTAL .	3,80,88*	3,07,85*	1,76,03	100	100	100

* Includes R11,91,000 and R12,67,000 the values of "for orders" cargoes during 1938-39 and 1939-40, respectively, which remain to be adjusted.

The shares of the different States in the total value of the exports from Kathiawar ports during 1938-39, 1939-40 and 1940-41 are given in the following table :—

—	1938-39	1939-40	1940-41	Percentage share in		
				1938-39	1939-40	1940-41
	R(000)	R(000)	R(000)			
Morvi . . .	7,14	77,11	1,02,17	1·9	25·1	58·1
Baroda . . .	4,56	11,46	23,42	1·2	3·7	13·3
Porbandar . .	52,53	25,50	19,96	13·8	8·3	11·3
Nawanagar . .	1,44,27	89,12	15,86	37·9	28·9	9·0
Junagadh . .	1,06,32	63,39	8,76	27·9	20·6	5·0
Bhavnagar . .	66,06	41,27	5,86	17·3	13·4	3·3
TOTAL .	3,80,88	3,07,85	1,76,03	100	100	100

The total value of exports and re-exports from and imports into the Kathiawar ports during 1940-41 amounted to R4,23 lakhs as against R8,00 lakhs

in 1939-40 and represented 3·9 per cent of the value of trade of the Bombay ports in the same year.

II.—TRAVANCORE.

In the case of the foreign trade of Travancore, exports were generally higher than imports in past years, but in the year under review imports exceeded exports by R25 lakhs. Imports into Travancore ports during 1940-41 were valued at R1,12 lakhs as compared with R1,26 lakhs in the preceding year. The total exports by sea during 1939-40 and 1940-41 were valued at R1,58 lakhs and R87 lakhs, respectively. The imports into and exports from the Travancore ports during the year under review represented, on the basis of declared values, only 0·6 per cent of the imports and exports in the same year into and from British Indian ports.

Direct imports into the Travancore ports consist of a few articles only. The principal articles of imports during the year were, as usual, grain, pulse, etc., mainly rice from Burma (R60 lakhs); fruits and vegetables, dried, etc., mainly cashew nuts (R39 lakhs); tobacco, raw (R4 lakhs); instruments etc., chiefly electrical (R3 lakhs): machinery and millwork and metals, chiefly iron and steel (R1 lakh each).

The principal items of exports from Travancore consist of coir manufactures, shipments of which during the year were valued at R39 lakhs. Of these, coir mats and mattings accounted for R15 lakhs, the United Kingdom's share being R10 lakhs as against R29 lakhs in 1939-40. Exports of coir yarn were valued at R11 lakhs as against R25 lakhs in the preceding year; while shipments of other sorts of coir manufactures, mostly to the United Kingdom, accounted for R13 lakhs. Ilmenite comes next and exports of the article during the year were valued at R20 lakhs as compared with R21 lakhs in 1939-40. The bulk of the shipments of ilmenite went to the United States of America. Exports of dried fruits and vegetables, chiefly cashew kernels, accounted for R5 lakhs; while those of monazite, spices chiefly pepper and ginger (mostly to the United States of America), and rubber raw were valued at R2 lakhs each. Despatches of fibres for brushes and brooms, and dyeing and tanning substances chiefly turmeric were valued at R1 lakh each.

CHAPTER VI.

Frontier Trade.

I.—Trade at Stations adjacent to Land Frontier Routes.

The existing system of registration of the Frontier Trade of India falls under two classes :—(1) Trade at stations adjacent to the land frontier routes and (2) Indo-Afghan Trade. Under the first, only the traffic in selected articles at certain railway stations adjacent to the more important trade routes across the frontier is registered. It may, however, be assumed that a high percentage of the traffic recorded relates to Frontier Trade. The following table shows the trade during the past three years :—

[The figures represent the outward (in the case of imports) and inward (in the case of exports) traffic at the selected railway stations, the bulk of which relates to Frontier Trade.]

Imports.

Articles	Quantity		
	1938-39 (Maunds)	1939-40 (Maunds)	1940-41 (Maunds)
Wheat	174,958	122,355	130,562
Gram and pulse	375,050	186,936	221,825
Rice—			
Husked	1,703,094	1,517,128	1,262,774
Unhusked	402,915	326,338	321,614
Other grain and pulse	1,088,920	909,198	604,449
Hides and skins	136,647	139,820	149,398
Tobacco	115,707	88,927	120,987
Wool, raw	190,324	281,263	198,267
Jute, raw (from Nepal)	206,905	151,235	54,414
Linseed (from Nepal)	420,117	233,529	223,647
Mustard and rapeseed (from Nepal)	325,729	358,211	359,960

Exports.

Articles	Quantity		
	1938-39 (Maunds)	1939-40 (Maunds)	1940-41 (Maunds)
Cotton piecegoods (Foreign and Indian)	619,843	597,796	636,744
Wheat	571,631	564,273	872,305
Rice, husked	517,503	503,238	423,536
Other grain and pulse	1,091,789	1,095,490	1,108,013
Salt	1,628,150	1,540,135	1,422,289
Sugar, refined and unrefined	882,831	877,698	955,705
Tea	154,328	175,775	162,713
Tobacco	121,061	106,516	133,068

Frontier Trade.

II.—Indo-Afghan Trade.

Separate statistics of trade between India and Afghanistan, which are available since 1937-38 only, are registered at Thal, Chaman and Torkham. One of the principal features of the trade between the two countries is the existence of a large volume of transit trade through India. While it has been possible to maintain a record of such trade through India to Afghanistan, it has not been found practicable to separately record the statistics of Afghan goods in transit through India to countries abroad. The aggregate value of Indo-Afghan trade, including transit trade amounted to R8,95 lakhs in 1940-41 as compared with R6,66 lakhs in 1939-40.

The principal items of imports into India from Afghanistan are skins and furs, fruits, nuts and vegetables. These together accounted for 85 per cent of the imports in 1940-41, as in the preceding year. It may be stated that almost the entire quantity of skins and furs, consisting mainly of Persian lamb skins, is intended for export to foreign countries. Similarly, a large portion of the quantity of fruits and nuts imported is ultimately sent abroad. In the case of exports to Afghanistan, foreign goods in transit accounted for 65 per cent of the total exports in the year under review, the value of such trade being R1,99 lakhs as against R1,06 lakhs representing the value of goods not in transit. Among the principal items of exports, animals, living; boots and shoes; leather and cement were mostly of Indian origin, while there was keen foreign competition in such commodities as iron and steel, cotton manufactures, rubber manufactures and tea. In regard to exports of instruments, apparatus, appliances and parts thereof, machinery and millwork, and sugar, India had only a small share. The tables below show the values of the principal items of trade as also the total values of imports and exports during the last three years.

Imports into India.

Value in R (000)

Articles	Produce of Afghanistan			Produce of countries other than Afghanistan		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Animals, living	8,99	11,18	42	..	..	..
Fruits, nuts and vegetables	1,06,28	88,57	1,07,51	..	..	..
Skins and furs	1,11,49	2,49,63	3,93,17	..	..	..
Spices	1,03	5,68	2,60	..	..	..
Cotton, raw	3,85	20,36	41,00	..	..	..
Wool, raw	1,45	6,60	19,53	..	..	..
Wool, manufactured	11,50	6,36	3,39	..	..	..
All other articles of merchandise	4,36	8,69	22,17	11	2	27
GRAND TOTAL (Merchandise)	2,48,95	3,97,07	5,89,79	11	2	27
Treasure— Silver	10	17	1	..	..	..

Frontier Trade.

II.—Indo-Afghan Trade—*contd.*

Exports from India.

Value in R (000)

Articles	Produce of India			Foreign goods not in transit			Foreign goods in transit					
							State goods			Trade goods		
	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Animals, living	7,92	10,76	85								..	..
Boots and shoes	1,70	2,34	3,46	21	2	1				13	12	10
Cement	1,59	3,80	2,30							8	..	.
Instruments, apparatus appliances and parts thereof	1	12	66	27	56	1,05	1,78	2,46	2,28	1,53	1,54	2,30
Leather	1,67	2,11	5,45	1			4		1	3	1	1
Machinery and mill work	3	28	77	1,40	2,26	82	7,54	4,11	2,24	10,67	27,94	2,76
Rubber manufactures (tyres and tubes)*	—	—	75	—	—	8	—	—		—	—	2,62
Sugar	41	31	1,97		.			.		5,54	16,26	12,05
Tea	51	7,88	11,31	1	15	..		.		9,82	6,19	4,24
Cotton manufactures	26,1	12,79	44,02	68	50	40		.		44,21	54,04	94,82
Silk manufactures	44	1,45	45	3	45	27			..	3,87	8,05	7,38
GRAND TOTAL (Merchandise)	50,70	72,79	98,81	6,12	8,19	7,33	27,07	12,20	7,60	1,30,93	1,75,88	1,91,36

*Separately recorded from April, 1940.

CHAPTER VII.

Balance of Trade.

The turnover of India's overseas trade in merchandise for the year 1940-41 recorded a heavy decline as compared with the preceding year. There was a decrease of R15 crores, or of 7 per cent in exports and of R8 crores, or 5 per cent in imports resulting in a decrease of about R7 crores in the favourable balance of trade in merchandise in the year under review. The surplus of exports over imports in 1940-41 was R42 crores as compared with about R49 crores in 1939-40. It may be noted that exports do not include the values of stores exported abroad for Defence purposes. Similarly imports exclude the values of goods imported for the use of the Defence Services in India. A survey of the monthly figures given in the following table shows that with the exception of March, 1941, exports in each month of the year under review exceeded imports.

(In lakhs of Rupees)

—	Private merchandise		Excess Net exports + Net imports —	Excess in the corresponding month of 1939-40
	Imports	Exports		
1940—				
April	17,31	19,52	+2,21	—14
May	16,48	19,75	+3,27	+78
June	11,23	17,70	+6,47	+75
July	11,39	14,01	+2,62	+3,08
August	10,09	14,63	+4,54	+2,54
September	12,74	17,05	+4,31	+4,34
October	12,78	15,42	+2,64	+4,43
November	12,76	16,29	+3,53	+5,04
December	11,33	16,97	+5,64	+7,39
1941—				
January	14,69	21,43	+6,74	+8,03
February	11,19	12,58	+1,39	+6,68
March	14,55	13,32	—1,23	+5,90
Total	156,54	198,67	+42,13	+48,82

N.B.—Railway stores imported by State Railways are not paid for in the ordinary way and do not affect the monthly balance of trade figures. The cost of these stores has, therefore, been excluded from the import side.

In the first quarter exports were generally high and exceeded imports by R11,95 lakhs. In the second quarter exports showed a marked contraction but as there was also a similar decline in imports, the credit balance was maintained at R11,47 lakhs. In the third quarter both imports and exports became steadier and the credit balance recovered to R11,81 lakhs. In the last quarter exports reached the highest figure of the year in January but declined sharply to the lowest total in the following month with a slight improvement in March, 1941 when imports exceeded exports. As a result the credit balance during the quarter was considerably reduced and amounted to R6,90 lakhs.

T. E. GREGORY,

Economic Adviser to the Government of India.

SIMLA;

The 13th May 1942.

PART II

TABLES.

PART II—TABLES

NOTE.—As a result of the separation of Burma, the trade statistics from 1937-38 given in these tables include the trade of British India with Burma and exclude the direct trade of Burma with foreign countries. Unless otherwise indicated, figures for 1935-36 and 1936-37 have been adjusted, as far as the available data permit, so as to represent British India excluding Burma.

No. 1.—Monthly Sea-borne Trade (private merchandise), Imports and Exports in 1940-41, as compared with the two preceding years 1938-39 and 1939-40 and the averages of the quinquennia 1909-10 to 1913-14, 1914-15 to 1918-19 and 1919-20 to 1923-24, and excess of exports over imports during the same period.

(In lakhs of Rupees)

Months	Imports						Exports (including re-exports)						Excess of Exports over Imports					
	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
April	11,77	11,77	20,16	13,13	13,44	17,33	19,84	17,22	24,70	12,65	13,26	19,52	8,07	5,45	4,54	—78	—17	2,19
May	10,95	11,33	19,29	12,45	14,63	16,50	18,70	20,01	25,25	12,02	15,34	19,75	7,75	8,68	5,96	—43	71	3,25
June	9,76	11,81	15,30	12,06	14,91	11,25	17,51	19,13	21,89	12,72	15,42	17,70	7,75	7,32	3,59	72	51	6,45
July	16,58	13,45	19,99	11,05	13,66	11,10	17,77	17,88	23,26	14,69	16,71	14,01	6,89	4,43	4,17	3,64	3,05	2,61
August	12,05	13,03	21,21	10,91	13,39	10,12	15,90	17,56	23,16	14,08	16,40	14,63	3,85	4,53	1,95	3,17	2,51	4,51
September	12,92	12,11	20,49	10,79	11,29	12,76	16,27	17,02	23,62	15,67	15,61	17,05	3,35	4,91	3,13	4,88	4,32	4,29
October	13,79	13,20	23,04	12,96	10,33	12,81	18,00	18,92	23,12	14,66	14,75	15,42	4,21	5,72	8	1,70	4,42	2,61
November	13,74	13,33	23,48	13,41	12,51	12,78	17,71	18,21	25,21	15,35	17,53	16,29	3,97	4,88	1,73	1,94	5,02	3,51
December	11,60	10,71	21,38	12,62	13,63	11,36	16,67	11,09	25,55	14,61	21,01	16,97	5,07	6,38	4,17	1,99	7,38	5,61
January	14,47	13,87	25,59	14,09	16,43	14,71	21,04	19,16	27,86	13,73	24,42	21,43	6,57	5,29	2,27	—36	7,99	6,72
February	11,59	11,36	20,52	13,11	15,81	11,20	22,06	19,96	26,65	13,70	22,48	12,58	10,67	8,60	6,43	59	6,67	1,38
March	12,53	11,83	21,50	15,55	14,76	14,57	22,65	21,95	30,39	15,33	20,64	13,32	10,12	10,12	8,89	—22	5,88	—1,25
Total	145,85	147,80	254,05	152,57	165,28	156,79	224,12	224,11	300,96	169,21	213,57	198,67	78,27	76,31	46,91	16,84	48,29	41,88

No. 2.—Value of trade in merchandise only with the British Empire and Foreign Countries

(In lakhs of Rupees)

Countries	1909 to 1913-14 Average			1914-15 to 1918-19 Average			1919-20 to 1923-24 Average			1938-39			1939-40			1940-41		
	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
British Empire—																		
United Kingdom	91,58	56,30	147,88	83,56	69,62	153,18	145,43	73,04	219,47	46,49	58,25	104,74	41,61	75,35	116,96	35,96	65,26	101,22
Burma	—	—	—	—	—	—	—	—	—	24,35	11,10	35,45	31,38	13,47	44,85	28,38	18,07	46,45
Egypt (a)	—	—	—	88	9,36	10,24	(b)85	(b)3,34	(b)4,19	—	—	—	—	—	—	—	—	—
Ceylon	72	8,24	8,96	1,66	9,63	11,29	1,71	12,32	14,03	1,18	5,36	6,54	1,46	6,74	8,20	2,19	7,70	9,89
Straits Settlements	3,08	7,73	10,81	4,37	6,23	10,60	4,85	8,20	13,05	4,13	2,17	6,30	4,82	2,74	7,56	5,33	3,41	8,74
Australia	1,01	3,14	4,15	1,11	5,03	6,14	3,19	4,99	8,18	2,41	2,98	5,39	2,39	5,50	7,89	2,48	7,35	9,83
Hongkong	98	9,26	10,24	1,30	4,48	5,78	1,86	6,93	8,79	35	82	1,17	64	99	1,63	56	1,32	1,88
Canada	1	1,09	1,10	4	1,79	1,83	69	1,83	2,52	91	2,14	3,05	1,37	4,12	5,49	2,97	3,17	6,14
Aden and Dependencies.	41	1,25	1,66	77	2,15	2,92	80	2,79	3,59	24	1,11	1,35	55	99	1,54	40	82	1,22
Kenya Colony and Zanzibar and Pemba.	36	89	1,25	1,15	1,32	2,47	1,93	2,14	4,13	5,13	69	5,82	3,45	93	4,38	3,66	2,27	5,93
Other Countries of the British Empire.	3,39	4,16	7,55	1,80	6,17	7,97	3,17	9,54	12,71	3,37	5,66	9,03	5,44	8,71	14,15	7,80	11,11	18,91
Total British Empire.	101,54	92,06	193,60	96,64	115,78	212,42	165,54	125,12	290,66	88,56	90,28	178,84	93,11	119,54	212,65	89,73	120,48	210,21

Note.—Exports include re-exports.
(a) Egypt included in British Empire from 1918-19 to 1923-24.
(b) Average for 4 years.

No. 2—*continued*

(In lakhs of Rupees)

Countries	1909-10 to 1913-14 (Average)			1914-15 to 1918-19 (Average)			1919-20 to 1923-24 (Average)			1938 39			1939-40			1940-41		
	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total	Imports	Exports	Total
Foreign Countries—																		
United States of America.	4,49	16,90	21,39	10,29	26,75	37,04	21,64	36,26	57,90	9,78	14,29	24,07	14,86	27,18	42,04	27,00	31,94	58,94
Japan . . .	3,64	16,86	20,50	15,41	25,20	40,61	17,48	40,31	57,79	15,41	14,82	30,23	19,29	14,16	33,45	21,55	9,19	30,74
France . . .	2,21	14,82	17,03	1,85	10,02	11,87	2,37	14,37	16,74	1,40	6,23	7,63	1,44	8,14	9,58	61	4,56	5,17
Italy . . .	1,45	7,08	8,53	1,73	8,77	10,50	2,47	9,63	12,10	2,69	2,64	5,33	2,05	2,08	4,13	54	38	92
China (*exclusive of* Hongkong and Macão).	1,58	8,74	10,32	1,93	4,56	6,49	3,14	10,98	14,12	1,73	2,50	4,23	2,61	8,51	11,12	2,85	10,10	12,95
Turkey, Asiatic .	59	2,40	2,99	49	3,29	3,78	1	11	12	1	21	22	1	11	12	..	5	5
Java . . .	9,35	2,91	12,26	11,56	2,55	14,11	17,18	3,18	20,36	51	75	1,26	3,37	1,44	4,81	74	1,07	1,81
Cuba . . .	.	41	41	.	1,65	1,65	1	2,30	2,31	..	59	59	..	82	82	..	73	73
Argentine Republic .	.	2,27	2,27		2,61	2,61	.	4,21	4,21	1	2,88	2,89	1	3,55	3,56	2	4,02	4,04
French Indo-China .	1	67	68	1	1,51	1,52	2	1,80	1,82	14	68	82	2,60	1,28	3,88	48	63	1,11
Chile . . .	..	87	87	1	1,42	1,43	1	1,04	1,05	..	20	20	4	29	33	2	43	45
Spain . . .	17	1,99	2,16	36	1,60	1,96	30	2,80	3,10	11	22	33	9	75	84	5	41	46
Union of Socialist Soviet Republics	22	1,94	2,16	10	2,74	2,84	12	..	12	20	38	58	19	2	21	..	..	..
Netherlands . .	1,27	3,34	4,61	86	40	1,26	2,18	3,16	5,34	1,43	4,43	5,86	1,45	2,56	4,01	45	33	78
Belgium . .	2,76	11,97	14,73	38	1,10	1,48	4,64	11,25	15,89	2,92	4,48	7,40	2,55	3,21	5,76	93	32	1,25
Germany . .	9,35	22,36	31,71	1,04	2,04	3,08	7,16	14,86	22,02	12,93	8,70	21,63	6,69	2,98	9,67	10	..	10
Austria (*a*) . .	3,19	7,77	10,96	27	94	1,21	(*c*)42	(*c*)73	(*c*)1,15	47	3	50	10	..	10	..	..	..
Egypt (*b*) . .	26	1,90	2,16	—	—	—	(*d*)52	(*d*)2,98	(*d*)3,50	2,19	1,26	3,45	2,84	1,78	4,62	2,75	3,26	6,01
Total Foreign Countries.	44,31	132,06	176,37	51,16	108,33	159,49	88,51	176,86	265,37	63,77	78,93	142,70	72,17	94,03	166,20	67,06	78,19	145,25
GRAND TOTAL	145,85	224,12	369,97	147,80	224,11	371,91	254,05	301,98	556,03	152,33	169,21	321,54	165,28	213,57	378,85	156,79	198,67	355,46

NOTE.—Exports include re exports.
(*a*) Figures prior to 1921-22 relate to Austria Hungary.
(*b*) Egypt included in British Empire from 1915-16 to 1922-23.
(*c*) Average for 3 years.
(*d*) One year's figure.

No. 3.—Percentage share of the principal countries in the total trade in merchandise only

Countries.	1909-10 to 1913-14 (Average).			1914-15 to 1918-19 (Average).			1919-20 to 1923-24 (Average).			1938-39.			1939-40.			1940-41.		
	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total	Imports	Exports, including Re-exports	Total
British Empire—																		
United Kingdom	62·8	25·1	40·0	56·5	31·1	41·2	57·6	24·2	39·5	30·5	34·3	32·5	25·2	35·3	30·9	22·9	32·9	28·5
Burma	—	—	—	—	—	—	—	—	—	16·0	6·6	11·0	19·0	6·3	11·8	18·1	9·1	13·1
Ceylon	0·5	3·7	2·4	1·1	4·3	3·0	0·7	4·8	2·5	0·8	3·2	2·0	0·9	3·1	2·2	1·4	3·9	3·9
Straits Settlements	2·1	3·4	2·9	3·0	2·7	2·8	1·9	2·7	2·3	2·7	1·3	2·0	2·9	1·3	2·0	3·4	1·7	2·5
Australia	0·7	1·4	1·1	0·8	2·2	1·7	1·3	1·7	1·5	1·6	1·8	1·7	1·4	2·6	2·1	1·6	3·7	2·8
Hongkong	0·7	4·1	2·7	0·9	2·0	1·6	0·7	2·3	1·6	0·2	0·5	0·4	0·4	0·5	0·4	0·4	0·7	0·5
Mauritius and Dependencies	1·8	0·6	1·1	1·1	0·6	0·8	2·2	3·1	2·7	..	0·5	0·3	..	0·4	0·2	..	0·5	0·3
Total (including other British Possessions)	69·7	41·1	52·3	65·4	51·7	57·1	65·2	41·4	52·3	58·1	53·6	55·7	56·3	56·0	56·0	57·2	60·7	59·1
Foreign Countries—																		
Japan	2·5	7·5	5·5	10·4	11·2	10·9	6·9	13·3	10·4	10·1	8·8	9·4	11·7	6·6	8·8	13·7	4·6	8·6
United States of America	3·1	7·5	5·8	7·0	11·9	9·9	8·5	12·0	10·4	6·4	8·4	7·5	9·0	12·7	11·1	17·2	16·1	16·6
Java	6·4	1·3	3·3	7·8	1·1	3·8	6·8	1·0	3·7	0·3	0·4	0·4	2·0	0·7	1·3	0·5	0·5	0·5
France	1·5	6·6	4·6	1·3	4·5	3·2	0·9	4·8	3·0	0·9	3·7	2·4	0·9	3·7	2·5	0·4	2·3	1·5
Italy	1·0	3·2	2·3	1·2	3·9	2·9	1·0	3·2	2·2	1·8	1·5	1·7	1·2	1·0	1·1	0·3	0·2	0·3
China *exclusive* of Hongkong and Macao	1·1	3·9	2·8	1·3	2·0	1·7	1·2	3·6	2·5	1·1	1·5	1·3	1·6	4·0	2·9	1·8	5·1	3·6
Union of Socialist Soviet Republics.	0·1	0·9	0·6	0·1	1·2	0·8	0·1	..	0·1	0·1	0·2	0·2	0·1	..	..	..	..	..
Netherlands	0·9	1·5	1·3	0·6	0·2	0·3	0·9	1·5	0·9	0·9	2·2	1·6	0·9	1·2	1·1	0·3	0·2	0·2
Belgium	1·9	5·3	3·9	0·3	0·5	0·4	1·8	3·7	2·9	1·9	2·5	2·2	1·5	1·5	1·5	0·6	0·2	0·4
Germany	6·4	9·8	8·5	0·7	0·9	0·8	2·8	4·9	4·0	8·5	5·0	6·6	4·0	1·4	2·5	0·1	..	..
Austria (a)	2·2	3·5	2·9	0·2	0·4	0·3	0·2	0·2	0·2	0·3	..	0·2	0·1	..	..	..	..	..
Total (including other Foreign Countries)	30·3	58·9	47·7	34·6	48·3	42·9	34·8	58·6	47·7	41·9	46·4	44·3	43·7	44·0	44·0	42·8	39·3	40·9

(a) Figures prior to 1921-22 represent Austria-Hungary.

No. 4.—Value of Trade with principal Countries, distinguishing Principal Articles.

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
UNITED KINGDOM.				
Imports therefrom—				
Animals, living	5,02	6,86	4,36	2,24
Apparel	59,29	13,97	10,60	8,26
Arms, ammunition, etc.	30,60	41,69	41,05	36,76
Artificial silk yarn	—	78*	69	2,14
" " other manufactures	—	10,83	12,15	17,11
Asbestos	—	10,91	11,51	16,34
Belting for machinery	36,26	32,08	34,68	38,45
Bobbins	—	18,72	23,54	28,52
Books and printed matter	41,05	49,52	44,79	33,66
Boots and shoes	51,33	2,98	2,24	2,28
Building materials	59,89	17,39	14,68	9,83
Carriages and carts	19,11	5,19	4,53	3,40
China clay	..	14,70	19,08	9,17
Cordage and rope	4,39	3,57	2,83	1,92
Cotton—				
Raw	58,67	9	9	1
Twist and yarn	3,35,18	49,45	31,64	19,63
Piecegoods—				
Grey	20,73,55	54,96	19,53	4,60
White	10,87,38	2,11,92	1,88,59	96 56
Coloured, etc.	11,29,72	1,95,70	1,53,54	92,39
Other manufactures	1,40,25	57,83	57,59	67,47
Cutlery	10,53	9,51	12,22	10,68
Cycles and parts	29,40	76,42	57,02	45,64
Drugs and medicines	54,03	81,43	1,04 35	1,10,23
Dyeing and tanning substances	6,90	33,95	49,45	80,01
Earthenware and porcelain	30,50	13,66	14,53	14,45
Flax manufactures	28,83	16,76	13,83	13,59
Furniture	10,84	5,68	5,30	5,26
Glass and glassware	22,26	10,06	10,20	16,71
Haberdashery and millinery	61,21	7,78	7,28	7,60
Hardware	1,88,61	97,65	85,83	79,71
Instruments, apparatus, etc.	1,04,88	2,93,59	2,64,07	2,68,83
Ivory	11,33	54	15	17
Jewellery, etc.	14,51	3,93	3,06	2,20
Jute manufactures (including yarn)	10,09	46	37	70
Leather, including hides, tanned, etc.	38,59	28,98	34,90	32,02
Liquors—				
Ale, beer and porter	45,64	41,67	42,87	49,67
Spirit	69,47	81,23	98,47	81,78
Wines	13,62	5,96	7,84	8,09
Machinery and millwork	4,97,69	11,20,96	8,92,55	7,01,70
Manures	1,98	70,49	60,45	38,70
Oils, vegetable, animal, etc.	17,76	11,94	10,92	9,50
Packing—engine and boiler	4,98	3,82	4,29	4,99
Paints and painters' materials	56,00	55,12	62,72	62 82
Paper and pasteboard	73,44	89,28	76,92	67,02
Pitch and tar	8,72	1,41	2,02	1,31
Polishes	9,48	21,18	22,66	19,24
Precious stones	14	5,48	5,54	6,43
Printing materials	14,70	17,54	22,40	12,91
Provisions	1,84,15	1,36,99	1,36,35	1,00,71
Railway plant, etc.	5,54,48	—	—	—
Rubber manufactures, including tyres, etc.	16,45	89,50	47,33	73,70
Salt	23,44	1,95	1,89	2,24
Ships, parts of	18,00	5,58	83	77
Silk manufactures, including yarn	19,07	1,19	97	1,23
Soap	56,52	14,83	15,94	9,96
Stationery	41,44	30,53	32,97	32,13
Sugar	25,37	5,96	19,25	12
Tallow and stearine	10,43	1,65	1,76	2,01
Tea-chests	41,32	65,17	62,33	27,20
Tobacco	51,83	50,91	53,53	50,76
Toilet requisites	10,35	26,53	27,08	29,80
Toys and requisites for games	16,75	9,75	9,32	7,28
Umbrellas, etc.	24,71	2,77	1,16	1,69
Woollen manufactures, including yarn	1,85,24	66,68	45,73	48,39
Grand Total	91,58,01	46,48,91	41,61,34	35,96,43

* Exclusive of figures of Artificial Silk yarn mixed with other materials, etc.

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
UNITED KINGDOM—*contd.*				
Exports of Indian produce—				
Barley	1,06,54	6,87	4	..
Bristles	12,74	24,10	35,10	13,35
Coffee	50,86	35,11	24,09	1,42
Coir manufactures	22,95	34,93	67,37	35,39
Cotton, raw	1,72,39	3,54,78	5,23,70	3,29,93
,, waste	74	26,45	47,73	43,78
,, twist and yarn	2,81	1,40	16,52	71,20
,, manufactures	11,13	5,43	23,12	1,01,73
Drugs, medicines, etc.	5,47	3,44	3,42	5,15
Dyeing and tanning substances—				
Cutch and gambier	6,87	19	32	39
Indigo	6,52	..	..	2
Myrobalans	23,46	18,47	24,04	20,14
Fodder, Bran and Pollards	45,19	3,54	..	..
Hemp, raw (chiefly sann)	38,47	18,20	43,64	42,57
Hides and skins—				
Raw	56,46	60,86	1,02,84	67,91
Dressed or tanned	3,67,93	4,45,46	6,63,18	4,99,21
Horn, tips and pieces of horn*	5,73	88	66	91
Jute, raw	8,96,52	3,50,76	7,43,61	3,14,54
,, gunny bags	79,25	1,10,49	7,98,35	3,64,60
,, ,, cloth	55,57	1,58,13	4,06,25	3,46,58
Lac	56,67	33,25	24,06	25,18
Manures	10,89	6,71	10,40	24,43
Oilcakes	80,75	1,57,11	1,15,89	50,73
Paraffin wax	17,38	21,92	26,70	24,68
Provisions and oilman's stores	5,62	5,17	7,16	4,85
Pulse—				
Beans	88,21	9	..	..
Gram		2,62	1	..
Lentils		9,33	25,54	13,87
Other pulses		6,76	7,13	22,06
Rice (not in the husk)	1,56,99	6,20	8,84	8,68
Rubber, raw	23,28	30,33	28,65	59,85
Saltpetre	6,55	2,86	6,51	11,64
Seeds—				
Castor	78,39	1,74	21,24	58,96
Cotton	1,74,92	..	..	..
Groundnuts	2,96	1,17,12	1,50,63	2,47,23
Linseed	2,65,01	3,74,65	2,42,46	3,07,15
Rape	35,17	3,45	23,34	30,60
Others	11,38	1,80	3,72	2,68
Silk, raw	5,98	69	3,26	2,10
Spices	10,68	3,10	6,05	69
Sugar	8,59	6,64	1,72	..
Tea	9,51,37	20,36,48	21,33,29	25,13,29
Tobacco	1,48	1,55,76	67,69	80,91
Wheat	10,50,94	1,82,06	..	12,85
Wood	53,71	60	21	15
Wool, raw	2,61,11	2,40,84	1,80,80	1,34,97
,, manufactures	18,71	61,34	44,59	24,28
GRAND TOTAL	55,04,99	55,51,13	72,47,67	64,96,98
Exports of Foreign merchandise—				
Apparel (excluding boots and shoes)	5,66	5,35	2,98	40
Skins, raw	..	2,16,96	2,38,50	1,65
Sugar, 23 D. S. and above	32,56	..	..	.
Wool, raw	37,55	48	2,63	4,14
,, manufactures	54	5,28	7,64	2,18
Other articles	48,21	46,20	35,54	20,91
TOTAL	1,24,52	2,74,27	2,87,29	29,28
UNION OF SOCIALIST SOVIET REPUBLICS.				
Imports therefrom—				
Tea-chests	..	8	..	..
GRAND TOTAL	22,28	20,04	19,22	8

* Figures prior to 1924-25 represent Hornmeal.

No. 4—*continued*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
UNION OF SOCIALIST SOVIET REPUBLICS.				
Exports of Indian produce—				
Cotton, raw	3,35	..	..	..
Jute, raw	25,03	35,61	1,48	..
.. manufactures	1,43	..	..	..
Rice (not in the husk)	4,98	..	..	..
Tea	1,41,97	50	17	..
Other articles	13,72	1,60	45	..
TOTAL	1,90,48	37,71	2,10	..
Exports of Foreign merchandise—				
Miscellaneous articles	3,58	..	..	..
SWEDEN.				
Imports therefrom—				
Hardware	2,57	16,43	15,28	3,29
Machinery and millwork	..	44,34	26,21	9,65
Matches	28,08	15	28	..
Paper and pasteboard	3,99	38,89	62,81	16,69
Paper-making materials	4,21	8,85	8,52	2,00
Wood and timber	..	3,22	4,56	90
GRAND TOTAL	51,31	1,36,14	1,48,49	41,47
Exports of Indian and Foreign produce—				
Cotton, raw	7,67	2,90	1,67	..
Hides, raw	..	4,34	3,25	59
Rice (not in the husk)	12,00	11	13	..
Wheat	8,66	..	..	..
Other articles	4,23	49,43	64,76	12,22
TOTAL	32,56	56,78	69,81	12,81
NORWAY.				
Imports therefrom—				
Carbide of calcium	68	67	1,52	5
Hardware	64	29	17	7
Matches	9,34	..		..
Milk, condensed and preserved	41	11	16	2
Paper and pasteboard	4,49	37,50	55,87	12,09
Pulp of wood for making paper	31	4,67	6,89	62
Toys, etc.		19	27	..
Wood and timber	1,85	72	2,19	13
GRAND TOTAL	20,45	51,63	84,83	18,91
Exports of Indian produce—				
Coffee	3	8,25	15,50	94
Cotton, raw	53	2	4	..
Hides and skins, raw	20	3,47	3,49	1
Jute, raw	..	2,01	6,68	..
.. manufactures	92	20,46	21,23	..
Rice (not in the husk)	91	..	26	..
Seeds	..	11,81	14,79	80
Other articles	1,61	9,37	25,32	1,47
TOTAL	4,25	55,39	87,31	3,22
Exports of Foreign Merchandise—				
Miscellaneous articles	26	15	6	..

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
GERMANY.				
Imports therefrom—				
Apparel	14,87	5,51	1,59	..
Bobbins	..	4,83	1,85	..
Building materials	6,72	2,17	1,16	..
Buttons	..	4,77	2,85	1
Carriages	2,81	1,37	46	1
Clocks and watches	1,66	4,42	1,66	..
Cutlery	7,95	14,27	6,42	..
Cycles	1,75	8,43	5,03	1
Drugs and medicines	6,19	65,14	34,60	2
Dyeing and tanning substances	87,40	1,75,84	1,14,79	1,64
Glass and glassware	23,69	18,90	12,81	10
Hardware	57,21	74,61	47,99	18
Instruments	13,57	1,02,58	48,26	1,12
Leather	76	4,88	1,34	1
Liquors	19,41	15,33	7,27	1
Machinery	30,27	3,06,97	1,37,65	2,08
Manures	2,20	97	1,09	..
Paints and painters materials	5,58	9,05	5,40	13
Paper and pasteboard	21,82	63,49	40,50	1,18
Paper-making materials	1,61	24	..	..
Printing materials	1,02	11,78	4,[illegible]	7
Provisions	5,50	1,67	53	..
Railway plant	12,19	—	—	..
Rubber manufactures	3,82	27,08	10,60	2
Salt	9,46	4,73	1,00	
Stationery	5,04	14,02	7,11	16
Textiles—				
Artificial silk	—	3,77	1,90	..
Cotton manufactures	83,71	8,77	1,71	..
Haberdashery	22,10	4,38	2,20	..
Silk manufactures	16,81	1,71	52	1
Wool manufactures	90,62	8,71	1,67	..
Toilet requisites	2,93	4,07	1,77	..
Toys and requisites for games	11,10	3,04	1,30	..
Umbrellas, etc.	7,66	3,62	2,65	..
GRAND TOTAL	9,35,56	12,95,69	6,08,69	9,83
Exports of Indian produce—				
Barley	40,09	..	..	..
Coffee	4,72	43	6	..
Coir manufactures	22,66	14,08	4,60	..
Cotton, raw	4,45,06	1,61,05	44,96	..
" waste	..	21,60	7,79	..
Dyeing substances	14,49	4,65	38	..
Fodder, bran, etc.	22,84	..	..	..
Fruits and vegetables	2,87	34	13	..
Hemp, raw	8,48	4,66	2,10	..
Hides and skins, raw	2,53,97	39,67	12,17	..
Jute, raw	4,90,40	2,54,35	90,73	..
" gunny bags	15,38	4,48	1,22	..
" " cloth	6,83	50	49	..
Lac	37,67	12,29	5,45	..
Manures	8,20	43	2	..
Oilcakes	17,58	54,26	11,64	..
Paraffin wax	3,89	2,64	70	..
Rice (not in the husk)	3,41,37	6	..	..
Seeds—				
Copra or coconut kernel	40,25	..	..	..
Groundnuts	12,42	1,33,51	67,26	..
Linseed	70,14	14,60	8,56	..
Mowa or Mowra	29,01	..	..	..
Poppy	8,43	..	..	..
Rape	1,04,92	42	..	..
Sesamum (til or jinjili)	24,92	51	..	..
Others	27,84	1,65	3	..
Tea	3,09	10,14	5,90	..
Wood	15,06	29	24	..
GRAND TOTAL	22,30,35	8,55,49	2,[illegible]8,98	..

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
GERMANY—*contd.*				
Exports of Foreign merchandise—				
Miscellaneous articles	5,98	14,69	9,31	..
NETHERLANDS.				
Imports therefrom—				
Artificial silk	—	53	2,17	..
Building materials	6	31	10	25
Cotton manufactures	94,59	6,93	4,67	20
Dyeing and tanning substances	30	2,39	4,45	92
Instruments	9	14,55	20,59	8,27
Liquors	1,54	13,52	8,68	2,87
Machinery	24	17,00	12,35	1,07
Paper and pasteboard	2 81	15,06	15,97	5,10
Precious stones, etc.	..	7,15	2,74	..
Provisions	8,65	18,70	21,27	4,92
Starch and farina	26	10,86	12,74	4,14
Sugar	10	1,68	2,02	..
Wool manufactures	3,20	8	3	..
GRAND TOTAL	1,26 61	1,42,85	1,45,22	45,38
Exports of Indian produce—				
Coir manufactures	7,31	8,41	11,63	2,67
Cotton, raw	7,83	38,77	22,27	7,78
Hides and skins, raw	33,50	9,15	2,58	..
Jute, raw	1,53	24,51	22,11	18
Lac	6,06	4,35	2,88	..
Oilcakes	14	17,89	3,15	1,08
Paraffin wax	6	88	4	..
Rice (not in the husk)	2,15,93	3,29	1,52	..
Seeds—				
Groundnuts	28	2,75,74	1,57,80	19,20
Linseed	20 98	67	1,72	..
Rape	4,99	3,54	62	..
Wheat	2,02	..	..	..
Other articles	33,41	53,97	27,69	1,31
GRAND TOTAL	3,34,02	4,41,17	2,54,01	32,22
Exports of Foreign merchandise—				
Miscellaneous articles	21	2,44	2,09	93
BELGIUM.				
Imports therefrom—				
Arms	26	1,26	2,53	2,36
Artificial silk	..	13	8	8
Building materials	4,04	1,87	1,42	29
Cotton manufactures	42,12	2,16	1,70	22
Dyeing and tanning substances	10,82	27	85	28
Earthenware and porcelain	3,45	18	6	2
Glass and glassware	16,92	10,23	8,23	3,77
Hardware	5 58	2,55	2,96	85
Liquors	1,50	32	13	..
Machinery and millwork	1 76	30,09	25,57	5,37
Manures	75	15 23	25,46	10,07
Paints and painters' materials	2,08	2,61	4,07	2,50
Paper and pasteboard	5,00	4,74	4,14	3,34
Precious stones	1	90,91	56,99	4,88
Provisions	1,41	3,24	2,38	1,00
Railway plant	4,28	—	—	—
Sugar	29	11	5	2
Woollen manufactures	2 11	43	20	5
GRAND TOTAL	2 76,00	2,91,90	2,54,88	92,61

No. 4—*continued.*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
BELGIUM—*contd.*				
Exports of Indian produce—				
Barley	34,05	..	..	..
Cotton, raw	3,68,24	1,24,26	62,20	6,42
,, waste	..	4,38	1,59	4
Dyeing and tanning substances	7,76	1,54	75	15
Hemp, raw	13,73	22,37	14,39	6
Hides and skins, raw	10,00	4,75	2,14	13
Jute manufactures	13,69	20,12	10,15	..
,, raw	14,42	95,59	97,69	4,73
Lac	1,43	97	96	..
Manures	19,88	10,65	12,38	39
Oilcakes	76	22,31	5,28	5
Paraffin wax	1,43	32	5	..
Rice (not in the husk)	41,51	19	..	..
Seeds—				
Castor	20,16	..	1,10	..
Copra or coconut kernel	7,14	..	..	..
Groundnuts	26,78	77,70	63,01	8,09
Linseed	1,55,71	78	..	..
Mowa or Mowra	7,97	..	..	..
Poppy	16,11	..	..	..
Rape	1,51,62	1,59	5	..
Sesamum (til or jinjilli)	56,40	..	..	..
Others	2,29	1,62	89	7
Wheat	1,46,12	6,91	..	..
Zinc or spelter	53	16	11	..
GRAND TOTAL	11,94,20	4,44,62	3,19,88	32,39
Exports of Foreign merchandise—				
Miscellaneous articles	2 61	3,04	1,16	..
FRANCE.				
Imports therefrom—				
Apparel	40,03	1,05	1,05	51
Artificial silk	..	1,18	1,96	89
Clocks and watches	4,65	49	42	17
Cotton manufactures	2,88	2,57	2,82	1,06
Drugs and medicines	2,65	7,72	8,34	2,91
Dyeing and tanning substances	6,72	8,78	10,59	19,08
Fruits and vegetables	8,96	1,20	38	1
Hardware	2,18	2,25	1,65	32
Haberdashery	8,25	76	44	14
Instruments	4,20	2,40	2,73	1 04
Liquors	38,04	23,84	10,71	6 94
Machinery	31	4,44	7,03	2,88
Provisions	3,07	2,14	1,75	59
Rubber manufactures	1 78	22	4 00	35
Seeds	51	3	75	
Sugar	13	.		
Silk manufactures	27,18	1,05	1,45	25
Toilet requisites	68	1,20	78	31
Woollen manufactures	12,64	1,71	41	40
Umbrellas, etc.	81	8	9	4
GRAND TOTAL	2,29,50	1,40,14	1,44 08	61,32
Exports of Indian produce—				
Coffee	50,64	11,98	10,22	7,23
Coir	6,01	3,75	4,39	1,39
Cotton, raw	1,51,39	1,44,98	2,63,36	1,60,53
Dyeing and tanning substances	5,22	2,84	3,25	1,17
Essential oils	4,19	60	1,94	91
Hides and skins, raw	33,68	22,47	22,09	25,92
Horns, tips and pieces of horn*	9,27	5	..	..
Jute, raw	2,25,21	1,50,47	2,86,05	1,06,36
,, bags and cloth	2,56	1,83	11,03	45,01
Lac	11,55	2,56	3,62	2,38
Manures	10,47	3,59	86	1,10
Pulse—				
Gram	29,82	5,95	35	..
Lentils		..	..	2,29
Other pulses		..	..	74

* Figures prior to 1924-25 represent Hornmeal.

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
FRANCE—*contd.*				
Exports of Indian produce—*contd.*				
Rice (not in the husk)	13,80	6	..	..
Seeds—				
Castor	23,18	34	3,21	18,36
Groundnuts	2,81,66	1,77,56	1,26,75	36,24
Linseed	1,55,04	11,83	3,68	2,47
Mowa or mowra	4,16	.	..	..
Poppy	43,87	..	..	..
Rape	96,17	4,64	5,29	13,49
Sesamum (til or jinjili)	85,36	61	8	..
Others	21,25	3,32	670	8,52
Silk raw	35,23	99	73	2
Wheat	1,12,55	..	..	..
GRAND TOTAL	14,77,26	6,19,18	8,11,18	4,54,85
Exports of Foreign merchandise—				
Miscellaneous articles	4,68	4,05	3,40	64
ITALY				
Imports therefrom—				
Apparel	6,98	49	39	6
Art, works of	45	1,12	31	13
Building materials	2,57	2,95	1,98	33
Buttons	..	1,48	1,51	72
Dyeing and tanning substances	1,40	2,65	6,54	4,45
Fruits and vegetables	8,48	26,47	6,85	1,18
Glass and glassware	4,26	3,40	2,70	1,11
Instruments	1,70	8,44	9,45	3,58
Liquors	78	98	1,06	30
Machinery	1,44	24,16	18,87	2,55
Paper and pasteboard	79	3,44	5,77	4,78
Rubber manufactures	13	76	53	1
Stone and marble	2,48	6,72	7,46	1,53
Sugar	23	.	..	.
Textiles				
Artificial silk yarn	—	53,18	52,10	8,16
Cotton, raw	11	..		..
,, twist and yarn	4,08	5	6	..
,, manufactures	45,22	5,26	5,16	1,34
Haberdashery and millinery	4,32	11,07	6,11	2,41
Silk manufactures	19,83	5,03	2,59	32
Goods of artificial silk mixed with other materials.	—	89	85	40
Woollen manufactures	4,07	46,01	17,91	60
GRAND TOTAL	1,44,84	2,68,51	2,04,86	54,34
Exports of Indian produce—				
Cotton, raw	3,18,18	69,40	44,44	5,09
Hides and skins, raw	85,98	12,54	10,68	1,14
Jute, raw	1,14,89	91,69	1,00,32	23,55
Spices pepper	6,81	12	4	.
Rice (not in the husk)	2,97	.	.	..
Seeds				
Castor	16,05	..	98	3,29
Groundnuts	1,71	41,04	26,44	..
Linseed	54,86	1,16	47	..
Rape	11,40	65	..	..
Sesamum (til or jinjili)	27,30	91	..	.
Others	1,49	..	1	..
Silk, raw	1,25	30	7	..
Wheat	37,14	6,76	.	..
Other articles	21,38	37,43	18,45	3,83
TOTAL	7,01,61	2,62,00	2,01,90	36,90
Exports of Foreign merchandise—				
Miscellaneous articles	6,03	1,94	5,70	1,18

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
ADEN				
Imports therefrom—				
Cotton manufactures	32	2	6	87
Salt	12,94	18,54	46,97	34,90
Other articles	28,19	5,63	7,69	4 39
TOTAL	41,45	24,19	54,72	40,16
Exports of Indian produce—				
Cotton, twist and yarn	9,88	4,98	6,61	2,66
,, manufactures	18,38	8 28	7,03	2,71
Grain, pulse and flour—				
Jowar and bajra	10,77	14,65	61	37
Rice (not in the husk)	24,86	15,51	13,34	4,57
Wheat flour	12,25	9,35	7,00	8 04
Spices	4 79	6,57	5,69	2,97
Tobacco	9,39	9,23	10,40	10,23
Other articles	16,01	24,17	26,86	29,98
TOTAL	1,06,33	92,74	77,54	61,53
Exports of Foreign merchandise—				
Cotton manufactures	13,07	3,41	1,93	8 27
Other articles	5.73	14,60	19,17	12,33
TOTAL	18.80	18,01	21,10	20,60
IRAQ (a).				
Imports therefrom—				
Dyeing and tanning substances	—	56	32	1 73
Fruits and vegetables	—	31,05	40 20	33,71
Grain, pulse and flour	—	7 89	15,99	2 9
Hides and skins, raw	—	1 38	54	36
Seeds	—	8	..	..
Wool, raw	—	18	44	11
,, manufactures	—	5	8	2
GRAND TOTAL	—	46 00	58 07	38 22
Exports of Indian produce—				
Coffee	—	2 97	4 40	2 76
Cotton manufactures	—	13, 6	8,44	20 05
Grain, pulse and flour—				
Rice (not in the husk)	—	9	5	2
Wheat flour	—	9	..	2
Others	—	31	41	5,80
Indigo	—	3	1	
Jute manufactures	—	4,73	11 64	22,52
Tea	—	1 64	1,53	1,05
Other articles	—	27 60	38,24	39,08
TOTAL	—	50,59	56,71	92,53
Exports of Foreign merchandise—				
Cotton manufactures	—	1,91	3,23	11,95
Provisions and oilman's stores	—	3	8	10
Rubber manufactures	—	1	1	11
Sugar	—	3	33	15
Other articles	—	14,58	23 72	33,28
TOTAL	—	16,56	29 37	45,59

(a) Included in "Turkey in Asia" prior to 1921-22.

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
MASKAT TERRITORY AND TRUCIAL OMAN.				
Imports therefrom—				
Fruits and vegetables	18,84	9,28	9,97	13,83
Precious stones, etc.	18,72	3,98	4,61	4,31
Other articles	9,19	7,28	9,97	10,78
TOTAL	46,75	20,54	24,55	28,92
Exports of Indian produce—				
Cotton manufactures	5,28	5,53	3,91	5,37
Grain, pulse and flour—				
Jowar and bajra	2,20	17	10	6
Rice (not in the husk)	30,01	22,77	24,20	20,26
Other articles	11,48	9,39	7,51	13,39
TOTAL	48,97	37,86	35,72	39,08
Exports of Foreign merchandise—				
Cotton manufactures	21,23	2,00	1,22	2,84
Other articles	10,93	6,73	4,73	7,40
TOTAL	32,16	8,73	5,95	10,24
ARABIA, OTHER STATES.				
Imports therefrom—				
Miscellaneous articles	3,51	6,42	9,89	7,76
Exports of Indian produce—				
Cotton manufactures	2,83	6,16	7,21	6,20
Grain, pulse and flour	21,74	40,29	39,44	40,38
Tea	95	1,99	6,51	2,49
Other articles	10,91	16,35	20,03	15,51
TOTAL	36,43	64,79	73,19	64,58
Exports of Foreign merchandise—				
Miscellaneous articles	13,84	10,90	20,61	38,61
BAHREIN ISLANDS.				
Imports therefrom—				
Precious stones, etc.	50,47	2,52	2,79	3,05
Other articles	2,52	79,37	1,99,47	2,19,97
TOTAL	52,99	81,89	2,02,26	2,23,02
Exports of Indian produce—				
Cotton manufactures	4,48	5,82	6,64	4,78
Rice (not in the husk)	25,42	8,80	11,57	14,07
Other articles	12,34	12,92	18,89	19,58
TOTAL	42,24	27,54	37,10	38,43
Exports of Foreign merchandise—				
Cotton manufactures	18,18	1,23	93	2,57
Other articles	9,07	7,02	14,66	18,14
TOTAL	27,25	8,25	15,59	20,71

No. 4—*continued*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
CEYLON.				
Imports therefrom—				
Grain, pulse and flour	12	7	37	1,97
Hides and skins, raw	3,43	3,38	4,06	4,80
Jute, gunny bags	7,62	5,09	5,35	6,67
Machinery	1,36	2,93	3,18	1,80
Rubber	10	28	56	5,52
Seeds	91	60,83	67,80	1,34,14
Spices	29,91	9,01	10,89	11,64
Tea	7,10	2,27	2,08	1,53
Grand Total	72,53	1,17,52	1,46,36	2,18,94
Exports of Indian produce—				
Animals, living	18,40	6,06	6,45	6,15
Coffee	5,78	11	9	13
Cotton manufactures	36,68	68,56	69,53	97,46
Fish (excluding canned fish)	24,39	35,47	36,29	30,37
Fodder, bran, etc.	1,78	4,08	4,06	4,65
Fruits and vegetables	13,55	28,13	29,94	31,44
Grain, pulse and flour—				
Rice (not in the husk)	4,26,72	1,17,29	1,10,66	1,52,97
Other sorts	48,80	31,43	31,62	44,78
Jute manufactures	5,41	3,66	5,79	5,76
Manures	10,87	13,08	19,86	11,60
Oilcakes	38,54	18,35	28,06	22,31
Provisions and oilman's stores	5,45	2,53	3,12	3,87
Rubber, raw	14,15	8,18	16,74	15,09
Seeds	12,21	9,45	7,51	13,76
Spices	15,31	19,34	30,07	30,26
Tea	26,00	26,20	64,08	19,77
Wood and timber	2,32	9	12	17
Grand Total	3,02,35	5,09,11	6,37,13	7,30,57
Exports of Foreign merchandise—				
Cotton manufactures	8,26	6,67	6,42	9,41
Vehicles	—	4,88	4,87	3,94
Other articles	13,82	15,41	26,02	25,97
Total	22,08	26,96	37,31	39,32
BURMA.				
Imports therefrom—				
Candles of all kinds	—	8,25	8,65	7,34
Cutch and gambier	—	6,68	6,68	9,31
Fruits and vegetables	—	19,51	30,70	22,21
Grain, pulse and flour—				
Gram	—	5,43	18,71	8,73
Pulse	—	32,65	51,68	51,94
Rice (in the husk)	—	33,47	25,54	8,80
,, (not in the husk)	—	11,36,43	16,65,16	12,50,41
Hides and skins, raw	—	3,63	6,22	4,89
Lac	—	1,23	5,15	1,47
Matches	—	23,21	24,13	35,62
Rubber, raw	—	10,24	18,88	24,23
Spices	—	13,52	4,53	4,21
Teak wood	—	1,99,54	1,95,33	2,12,48
Grand Total	—	24,34,91	31,38,01	28,38,22
Exports of Indian produce—				
Boots and shoes	—	6,26	9,39	14,37
Coal and coke	—	62,26	48,42	51,68
Coffee	—	1,58	1,23	1,36
Coir manufactures	—	5,67	3,65	5,69
Drugs and Medicines, etc.	—	4,08	5,69	7,20
Fish, dry, unsalted	—	26,44	25,28	27,16
Fruits and vegetables	—	31,36	31,78	20,03
Grain, pulse and flour—				
Pulse	—	7,36	5,43	5,13
Wheat	—	4,83	4,12	5,86
Wheat flour	—	32,01	31,18	41,39
Hardware, etc.	—	8,42	9,66	11,66

No. 4—*continued*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
BURMA—*contd.*				
Exports of Indian produce—*contd.*				
Oils—				
Groundnut	—	37,05	29,33	96,07
Linseed	—	1,93	1,96	1,93
Mustard or rape	—	2,84	2,38	3,25
Paints and Painter's Materials	—	6,23	9,23	9,75
Paper and Pasteboard	—	9,43	11,75	19,40
Provisions and Oilman's stores	—	27,85	31,68	34,41
Seeds—				
Groundnut	—	12,77	12,35	20,29
Sesamum	—	5,67	2,76	3,33
Spices—Betelnuts	—	17,47	15,57	15,04
Sugar	—	14,75	1,57	18,95
Tea	—	11,14	20,53	25,54
Textiles—				
Cotton—				
Twist and yarn	—	62,76	74,17	2,17,01
Piecegoods—				
Grey	—	92,00	1,11,36	1,03,73
White	—	7,04	7,44	11,81
Coloured, etc.	—	1,39,78	1,95,92	2,19,39
Jute—				
Gunny bags	—	1,19,66	1,77,03	2,02,79
Gunny cloth	—	2,76	2,56	2,29
Tobacco—				
Unmanufactured	—	13,97	23,71	31,15
Cigarettes	—	59,12	54,88	94,15
Other Sorts	—	10,27	12,29	12,32
Grand Total	—	10,03,37	12,29,64	16,22,59
Exports of Foreign merchandise—				
Instruments, etc.	—	15,62	22,56	32,97
Machinery, etc	—	6,58	5,79	15,74
Cotton piecegoods	—	5,94	9,09	14,87
Grand Total	—	1,06,85	1,17,85	1,84,53
STRAITS SETTLEMENTS				
Imports therefrom—				
Canes and rattans	4,51	3,89	3,65	4,35
Cotton manufactures	8,01	45	17	17
Drugs and medicines	2,75	1,07	1,31	1,26
Dyeing and tanning substances	7,98	6,76	6,12	7,52
Fish	22,53	..	1	1
Fruits and vegetables	6,27	19	1	3
Gums and resins	5,45	7,41	7,03	8,15
Lac	1,51	4,47	8,58	1,19
Matches	7,64	..	..	1
Oils, vegetable	39	44,10	76,79	1,14,96
Provisions and oilman's stores	23,72	26,47	23,66	32,74
Rice (not in the husk)	7,44	..	16	8
Silk, raw	6,75	..	..	..
Spices, betelnuts	85,73	1,82,30	1,36,50	1,27,09
.. others	12,63	12,47	11,00	9,74
Starch and farina	1,27	15,02	25,40	35,74
Sugar	3,74	..	49	9
Grand Total	3,08,48	4,13,06	4,82,32	5,32,53
Exports of Indian produce—				
Animals, living	6,98	2	..	4
Cordage and rope	3,35	1,97	3,02	2,90
Cotton, twist and yarn	24,41	29,06	15,15	15,19
.. manufactures	57,59	56,74	78,72	1,17,84
Fodder, bran, etc.	15,03	1	..	..
Grain, pulse and flour—				
Rice (not in the husk)	3,24,33	13,34	12,00	12,22
Others	18,30	16,20	14,65	13,35
Hides and skins, raw	25	8	8	1
Jute manufactures	34,40	21,07	39,20	30,67
Opium	1,48,78	..	..	..
Provisions and oilman's stores	14,92	10,62	12,93	12,46
Rubber, raw	84	..	..	..

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
STRAITS SETTLEMENTS—*contd.*				
Exports of Indian produce—*contd.*				
Seeds	8,28	7,61	11,90	15,20
Tobacco	13,12	2,22	2,42	1,95
GRAND TOTAL	7,54,93	2,03,97	2,61,36	3,29,60
Exports of Foreign merchandise—				
Cotton manufactures	4,90	20	23	17
Spices, cloves	1,91	13	4	..
Other articles	11,44	12,34	12,20	10,59
TOTAL	18,25	12,67	12,47	10,76
JAVA.				
Imports therefrom—				
Farinaceous foods	50	2,02	2,97	1,77
Liquors	2,59	2,77	3,28	4,30
Sugar	9,23,33	29,10	2,97,45	28,37
Tea	81	..	..	72
Other articles	7,80	17,19	33,58	39,16
TOTAL	9,35,03	51,08	3,37,23	74,32
Exports of Indian produce—				
Jute, gunny bags	45,29	59,52	1,17,53	70,37
Opium	52,28	..	..	..
Rice (not in the husk)	1,76,58	..	2	2
Other articles	15,59	13,34	24,03	32,22
TOTAL	2,89,74	72,86	1,41,58	1,02,61
Exports of Foreign merchandise—				
Miscellaneous articles	1,12	1,84	2,35	3,75
THAILAND.				
Imports therefrom—				
Rice (in the husk)	..	4,72	18,46	2,39
" (not in the husk)	..	32	20,51	15,28
Wood, teak	31,41	1,06	3	..
Other articles	3,39	3,32	14,22	9,52
TOTAL	34,80	9,42	53,22	27,19
Exports of Indian produce—				
Cotton manufactures	10,75	11,73	3,60	5,29
Jute, gunny bags	27,14	52,62	93,35	76,28
Opium	18,84	..	..	..
Other articles	6,21	5,29	6,72	6,17
TOTAL	62,94	69,64	1,03,67	87,74
Exports of Foreign merchandise—				
Miscellaneous articles	2 47	78	29	3,01

No. 4—*continued*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
FRENCH INDO-CHINA.				
Imports therefrom—				
Rice	97	8,61	2,54,71	45,21
Other articles	4	5,32	5,51	2,39
TOTAL	1,01	13,93	2,60,22	47,60
Exports of Indian and Foreign produce—				
Cotton, raw	1,63	17,21	39,34	16,29
Jute manufactures	32,57	49,76	83,50	41,50
Opium	29,07	..	..	..
Other articles	3,48	1,27	4,92	5,63
TOTAL	66 75	68,24	1,27,76	63,42
JAPAN				
Imports therefrom—				
Ale, beer and porter	3	6,44	6,47	4,04
Apparel	9,17	9,31	11,44	10,03
Artificial silk	..	1,47,05	3,78,81	5,05,75
Bobbins	..	13,58	11,32	16,10
Boots and shoes	16	1,26	80	25
Brushes and brooms	48	1,70	1,57	1,82
Buttons of all sorts	..	6,80	7,28	11,57
Camphor	11,48	12,49	20,92	18,53
Carriages	11	65	37	4
Cement	1	9	20	50
Clocks and Watches	1,38	3,42	4,95	2,61
Cotton raw	9	1	..	..
" hosiery	65,23	18,60	8,66	11,10
" piecegoods	6,10	5,13,39	5,12,76	5,65,69
" yarn	6,16	1,76,90	2,42,11	1,34,34
" other manufactures	2,12	7,39	8,99	20,60
Cycles and parts	..	8,95	10,03	5,62
Drugs and medicines (other than camphor)	1,72	4,00	15,53	1,32
Earthenware and porcelain	4,23	20,85	18,56	15,35
Furniture	71	2,02	1,82	27
Glass and glassware—				
Bangles	5	13,10	9,93	6,04
Beads and false pearls	7,61	4,86	3,12	2,72
Bottles and phials	1,00	17,69	15,58	13,55
Funnels, globes, etc.	58	71	80	1,31
Tableware	1,41	4,26	5,08	3,65
Others	3,35	19,50	21,03	13,60
Haberdashery and millinery	10,88	17,96	23,75	25,13
Hardware	3,59	20,81	24,60	36,72
Instruments	85	19,36	29,17	31,01
Machinery and millwork	63	30,38	18,95	34,69
Matches	28,40	2	4	5
Paints and painters' materials	..	5,32	5,90	3,00
Paper and pasteboard	55	13,30	23,86	26,89
Provisions and oilman's stores	1,57	2,96	3,71	3,00
Rubber manufactures	..	12,20	21,76	12,61
Silk, raw	1,15	11,75	..	13,49
" manufactures	1,31,45	85,03	56,65	53,08
Spices, ginger	3,40	27	..	..
Stationery (excluding paper)	2,17	12,54	11,33	9,72
Tea-chests	87	2,88	3,10	10,14
Toilet requisites	1,31	8,08	6,02	5,01
Toys and requisites for games	3,16	20,54	18,33	8,85
Umbrellas and umbrella fittings	4,91	7,58	11,54	14,05
Wood and timber	32	3,73	3,57	8,62
" manufactures	71	4,47	2,74	1,78
Woollen manufactures	8	82,10	70,83	92,96
GRAND TOTAL	3,44,35	15,41,34	19,27,94	21,54,92
Exports of Indian produce—				
Cotton, raw	14,54,70	11,27,06	10,76,50	7,04,86
Hides and skins, tanned or dressed	12,79	5,62	55	1,36
Jute, raw	10,34	28,40	43,24	29,13
" manufactures	10,93	8,67	2,71	3,89

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
JAPAN—*contd.*				
Exports of Indian produce—*contd.*				
Lac	2,17	5,93	3,78	3,54
Manures	5,59	20	34	1,53
Oilcakes	15,19	..	18	..
Opium	9,79	..	..	..
Paraffin wax	6,90	..	..	..
Pulse	4,19	1	1	3
Rice (not in the husk)	1,33,89	2	1	2
GRAND TOTAL	16,84,66	14,59,02	13,99,26	9,00,20
Exports of Foreign merchandise—				
Miscellaneous articles	1,66	23,08	17,17	18,80
HONGKONG.				
Imports therefrom—				
Apparel	1,21	27	21	47
Cordage	3 19	25	41	78
Cotton manufactures	1,94	1,85	59	19
Drugs and medicines	6,18	31	65	1,58
Fireworks	5,00	46	1,25	3,94
Grain, pulse and flour	4,58	5,12	3,67	2,10
Provisions	3,85	25	38	65
Silk, raw	23 69	3 82	20,67	3,33
,, manufactures including yarn	21,01	1,80	2,82	4 49
Sugar	10,34	4,67	5,01	5,96
Other articles	16 42	14,23	28,19	32 18
TOTAL	[illegible]	35,03	64,05	55 67
Exports of Indian produce—				
Cotton—				
Raw	32,85	..	1	..
Twist and yarn	3,86,49	41,30	25,70	52 64
Drugs and medicines	4,92	7,69	9,07	5,24
Grain, pulse and flour	12,70	11	17	18
Jadestone	5,65	..	..	..
Jute manufactures	7 42	8,16	13,15	35,17
Opium	4,15,52	..	..	.
GRAND TOTAL	9,12,86	78,27	94,79	1,29,62
Exports of Foreign merchandise—				
Fish—				
Fishmaws and sharkfins	4,67	85	28	2
Fruits and vegetables—				
Dried, salted or preserved	2,13	21	18	3
Other articles	6,62	2,50	3 82	1,69
TOTAL	13,42	3 56	4,28	1,74
CHINA (EXCLUSIVE OF HONGKONG AND MACAO).				
Imports therefrom—				
Cotton yarn	5	64,68	74,55	32,90
,, piecegoods	20	3	30,76	20,06
Silk, raw	83,44	32,27	41,73	58,92
,, manufactures including yarn	35,67	29,67	49,53	33,63

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
CHINA (exclusive of Hongkong and Macao) —*contd.*				
Imports therefrom—*contd.*				
Spices	37	5,11	8,43	6,01
Tea	10,70	2,40	5,08	71
Other articles	27,55	39,30	52,41	1,32,36
TOTAL	1,57,98	1,73,46	2,62,47	2,85,19
Exports of Indian produce—				
Cotton—				
Raw	42,79	1,71,15	6,68,38	8,64,60
Twist and yarn	4,10,64	2,84	1,35	3
Piecegoods	2,70	19	11	..
Grain, pulse and flour	12,32	4	6	5
Jute, raw	10,84	10,89	23,94	15,32
,, manufactures	49,50	9,81	25,25	12,68
Paraffin wax	1,22	3,15	2,80	1,58
Tea	35,95	1	..	88
Other articles	3,06,43	48,92	1,28,08	1,00,65
TOTAL	8,72,39	2,47,00	8,49,97	9,95,79
Exports of Foreign merchandise—				
Miscellaneous articles	1,30	2,60	78	13,73
EGYPT.				
Imports therefrom—				
Building materials		17,93	8,52	2,65
Cigarettes	4,69	19	24	16
Cotton, raw	4,45	1,87,19	2,64,84	2,62,04
Salt	9,17	8,49	4,79	6,51
Other articles	7,86	5,09	5,62	3,47
TOTAL	26,17	2,18,89	2,84,21	2,74,83
Exports of Indian produce—				
Cotton, twist and yarn	10,12	1,49	3,05	9,56
Grain, pulse and flour—				
Rice (not in the husk)	53,81	5	5	8
Wheat	3,83	1,03	..	..
Wheat flour	16,41	2,34	21	1,00
Others	11,15	1	5	41
Indigo	3,96	3	..	..
Jute, raw	86	2,96	2,93	..
,, gunny bags	48,40	53,24	85,68	1,12,84
,, ,, cloth	84	8,63	26,15	32,58
Seeds	11,91	31,56	2,69	2,71
Other articles	24,41	21,16	35,96	1,27,27
TOTAL	1,85,70	1,22,50	1,56,80	2,86,75
Exports of Foreign merchandise—				
Miscellaneous articles	4,84	3,41	20,92	38,72
UNION OF SOUTH AFRICA.				
Imports therefrom—				
Barks for tanning	—	23,19	44,38	44,23
GRAND TOTAL	13,15	54,75	60,50	77,65

No. 4—*continued*

(In thousands of Rupees

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
UNION OF SOUTH AFRICA—*contd.*				
Exports of Indian produce—				
Jute, gunny bags	39,33	66,63	1,48,63	1,27,50
" " cloth	1,89	11,47	34,63	29,09
Oils, vegetable	3,54	1,53	5,93	15,23
Paraffin wax	5,16	1,49	1,21	..
Provisions	3,27	25	42	66
Rice (not in the husk)	32,08	31,03	38,82	34,43
Other articles	16,92	36,82	74,15	95,46
TOTAL	1,02,19	1,49,22	3,03,79	3,02,37
Exports of Foreign Merchandise—				
Miscellaneous articles	2,72	3,68	5,30	6,60
PORTUGUESE EAST AFRICA.				
Imports therefrom—				
Fruits and vegetables	1	15,80	6,74	9,82
Sugar	—	..	2,03	81
GRAND TOTAL	5,97	34,25	24,07	48 85
Exports of Indian produce—				
Cotton manufactures	9,08	9,03	16,21	17,33
Grain, pulse and flour	14,8[illegible]	5,01	6,41	2,94
Jute, gunny bags	14 [illegible]	20,03	52,87	25,64
Paraffin wax	3,38	5,58	18	..
GRAND TOTAL	47,77	67,46	97,67	58,18
Exports of Foreign merchandise—				
Cotton manufactures	8,62	45	55	1,46
Other articles	3,57	4,59	2,19	2,73
TOTAL	12,19	5,04	2 74	4,19
KENYA COLONY AND ZANZIBAR AND PEMBA.				
Imports therefrom—				
Cotton, raw	13	4,73,48	2,87,[illegible]	3,16,29
Hides and skins, raw	7	[illegible]1	38	94
Ivory, unmanufactured	4,96	4,7[illegible]	3,81	5,38
Sodium compounds	..	5,19	6,64	11,16
Spices (mainly cloves)	26,06	20,[illegible]2	39,75	23,59
Other articles	4,75	7,90	7,53	8,60
TOTAL	35,97	5,12,93	3,45,36	3,65,95
Exports of Indian produce—				
Cotton manufactures	10,91	7,41	10,98	1,24,71
Grain, pulse and flour—				
Rice (not in the husk)	32,72	6,16	5,56	3,91
Other sorts	8,98	7,30	6,58	3,82
Jute manufactures	4,00	17,69	34,79	24 49
Other articles	12,47	15,05	18,52	54,09
TOTAL	69,08	53,64	76,41	2,12 02
Exports of Foreign merchandise—				
Cotton manufactures	8,24	1,21	1,75	2,69
Other articles	11,57	14,00	14,59	12,62
TOTAL	19,81	15,21	16,34	15,31
MAURITIUS.				
Imports therefrom—				
Sugar	2,63,24	..	..	..
Other articles	98	38	9	20
TOTAL	2,64,22	38	9	20

No. 4—*continued*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
MAURITIUS—*contd.*				
Exports of Indian produce—				
Grain, pulse and flour—				
Rice (not in the husk)	74,20	41,61	36,51	40,45
Wheat flour	8,73	13	9	6
Other sorts	9,22	7,47	7,10	5,20
Jute manufactures	8,13	11,11	12,31	10,94
Oils, vegetable	6,03	6,35	8,27	10,89
Other articles	18,98	19,53	23,74	29,44
TOTAL	1,25,29	86,20	88,02	95,98
Exports of Foreign merchandise—				
Miscellaneous articles	4,77	93	50	45
CANADA.				
Imports therefrom—				
Paper and pasteboard	..	70	6,74	59,28
Railway plant	79	—	—	—
Rubber manufactures	..	1,07	2,43	2,89
GRAND TOTAL	1,09	91,76	1,37,13	2,90,79
Exports of Indian and Foreign produce—				
Jute, gunny cloth	49,29	74,58	1,62,21	1,43,00
Tea	54,91	97,92	1,81,58	1,08,20
Other articles	14,09	41,86	68,43	68,09
TOTAL	1,09,29	2,14,56	4,12,22	3,17,29
UNITED STATES.				
Imports therefrom—				
Apparel	33	8,11	9,39	12,28
Arms	86	1,86	2,44	4,05
Belting for machinery	1,11	8,63	10,53	10,29
Building materials	88	9,77	15,25	31,92
Carriages	72	44	1,35	64
Clocks and watches	3,82	1,22	1,30	2,16
Copper	.	16,19	34,30	55,30
Cotton, raw	27,72	37,47	88,72	80,41
.. piecegoods	26,44	43	1,96	2,95
Drugs and medicines	4,18	26,40	36,50	45,02
Dyeing and tanning substances	.	7,93	23,52	2,37,68
Furniture	1,44	1,41	93	61
Glass and Glassware	1,17	69	99	4,13
Hardware	24,72	22,41	32,18	48,00
Instruments	5,86	88,44	1,09,44	1,14,18
Leather	..	8,72	6,79	6,33
Machinery	24,56	2,11,56	2,48,69	3,08,65
Manures	..	1,25	1,85	10,54
Paper and pasteboard	1,21	5,26	23,79	1,78,24
Provisions	3,80	16,38	19,80	23,26
Railway plant	54	—	—	—
Rubber manufactures	16	6,83	59,65	61,18
Spirit	5,34	13,56	14,83	16,55
Stationery	2,05	5,42	10,20	11,08
Sugar	18	..	..	..
Tobacco	5,90	48,31	57,66	76,85
Toilet requisites	2,22	22,92	28,12	17,90
Wood and Timber	6,56	8,20	10,54	16,98
GRAND TOTAL	4,49,08	9,77,83	14,86,28	27,00,06

No. 4—*continued*

(In thousands of Rupees)

Articles	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
UNITED STATES—*contd.*				
Exports of Indian produce—				
Coir manufactures	5,29	4,47	6,16	12,20
Cotton, raw	8,19	41,04	1,18,11	1,13,75
Fruits and vegetables	1,73	1,10,94	98,83	1,38,67
Grain, pulse and flour	1,99	3,19	4,84	3,66
Gums and resins	1,36	15,08	22,57	20,43
Hides and skins—				
Raw	3,48,76	1,51,38	2,05,16	1,85,17
Dressed or tanned	29,59	7,74	16,32	22,05
Jute—				
Raw	2,32,96	67,04	2,01,73	1,30,38
Gunny bags	91,73	12,82	34,71	16,15
,, cloth	6,92,16	6,70,12	10,41,41	12,33,91
Lac	93,77	50,45	1,22,83	1,65,40
Manures	4,85	5	48	1,37
Myrobalans	9,78	6,65	9,47	4,98
Oils, vegetable	9,16	2	5,93	6,68
Paraffin wax	3,48	22	9	..
Rubber, raw	11	11,13	38,08	16,09
Saltpetre	7,61	..	..	..
Seeds—				
Castor	17,62	..	27,74	29,62
Linseed	49,29	5	..	..
Spices	8,31	2,18	4,47	3,56
Tea	11,70	47,47	81,69	68,26
Wool, raw	4,52	49,91	1,37,18	29,21
,, manufactures	2,38	7,31	15,91	21,04
Grand Total	16,83,60	13,87,91	24,42,34	25,89,63
Exports of Foreign merchandise—				
Miscellaneous articles	6,67	40,61	2,75,62	6,04,20
WEST INDIES.				
Exports of Indian and Foreign produce—				
Jute, gunny bags	44,32	84,64	1,27,03	1,25,24
Rice (not in the husk)	18,56	7,06	8,00	6,59
Other articles	3,71	10,32	13,59	18,25
Total	66,59	1,02,02	1,48,67	1,50,08
ARGENTINE REPUBLIC.				
Exports of Indian produce—				
Jute, raw	1,03	17,28	35,51	18,05
,, twist and yarn	26	1,49	3,61	1,43
,, gunny bags	4,99	5,05	8,90	7,31
,, ,, cloth	2,08,57	2,61,81	3,04,97	3,71,21
Rice (not in the husk)	11,52	1	..	1
Other articles	76	2,70	2,33	3,87
Total	2,27,13	2,88,34	3,55,32	4,01,88
Exports of Foreign merchandise—				
Miscellaneous articles	..	..	..	..

No. 4—*concluded*

(In thousands of Rupees)

ARTICLES	1909-10 to 1913-14 average	1938-39	1939-40	1940-41
AUSTRALIA.				
Imports therefrom—				
Horses	30,00	20,56	9,13	1,78
Provisions and oilman's stores	2,96	13,34	24,74	37,19
Tallow and stearine	1,30	15,93	22,33	13,38
Wheat		1,10,25	61,27	20,48
Wool, raw	3,71	35,54	48,97	1,06,79
GRAND TOTAL	1,01,16	2,41,28	2,39,03	2,48,02
Exports of Indian produce—				
Hides and skins, raw	4,42	17,30	18,60	12,48
Jute, bags and cloth	2,05,07	1,99,11	3,60,69	4,12,84
Oils	6,26	43	91	63
Rice (not in the husk)	20,[illegible]	1	1	1
Seeds	3,11	29,49	58,97	70,00
Tea	40,81	9,22	23,89	3,90
Other articles	32,76	41,74	86,55	2,33,41
TOTAL	3,1[illegible],36	2,97,30	5,49,62	7,33,27
Exports of Foreign merchandise—				
Miscellaneous articles	[illegible]	76	50	2,15

No. 5.—Total Imports and Exports of Merchandise of certain principal Countries and British India during the calendar years 1938, 1939 and 1940 with respective averages for the quinquennium ending 1913*

(In millions of £ sterling)

Countries	Imports				Exports (domestic)			
	1909-13 average	1938	1939	1940	1909-13 average	1938	1939	1940
United Kingdom	599	859	Not available	Not available.	465	471	Not available.	Not available.
France	305	270			253	179		
Egypt (e)	26	38 (d)			31	29 (d)		
Canada	106	138			66	170 (c)		
United States of America	341	399			433	625		
Netherlands (a)	(b)	159			(b)	117		
Germany	477	447 (f)			405	432 (f)		
Switzerland	71	74			63	62		
Italy (d)	137	120			88	112		
Czechoslovakia (g)	—	59			—	72		
Belgo-Luxemburg Economic Union	155†	157			144†	149		
Denmark (d)	(b)	73			(b)	69		
Sweden	(b)	107			(b)	95		
Australia	73†	105			67†	107		
British India (by sea) (h)	103	118			148	122		

* Compiled from the "Accounts relating to the Trade and Commerce of certain Foreign Countries and British Possessions" published quarterly by the Board of Trade, London.

† Triennial average.

(a) Excluding trade in diamonds and postal articles.
(b) Not available
(c) Including silver contained in ore, concentrated, and gold bullion obtained from mining operations.
(d) Including silver bullion
(e) Excluding trade with Sudan.
(f) Including silver bullion and specie.
(g) Including bullion other than for monetary purposes.
(h) Excluding Burma as from 1937.

Note.—In the cases of Germany, the Netherlands, the Belgo-Luxemburg Economic Union, France, Switzerland, Italy, Czechoslovakia, the United States, Sweden, the Dominion of Canada and the United Kingdom the import figures given in the above summary represent imports for home consumption. In all cases except Australia the export figures are intended to represent exports of domestic produce. In most cases, however, they include a certain amount of "nationalised" goods, i.e., goods originally imported which, if dutiable, have been charged the duty but which are subsequently re-exported.

No. 6.—Quantity and value of the principal articles of imports, arranged in the order of their importance

—		Quantity (in thousands)						Value (in thousands of rupees)					
		1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1918-19 to 1923-24 average	1938-39	1939-40	1940-41
Cotton, raw	Tons	12	56	12	96	84	89	1,02,22	44,44	2,01,10	8,50,89	8,05,45	9,46,92
" waste	Cwt.	3*	2	.	.	..	..	60*	46	9	3	1	1
" manufactures—													
Piecegoods, grey	Yds.	1,331,017	904,874	676,828	257,642	235,737	171,901	21,08,56	19,65,42	25,02,60	3,06,74	2,82,90	2,32,94
" white	"	654,255	518,890	373,569	179,135	133,673	96,987	11,20,33	12,83,42	16,19,66	3,30,26	2,83,53	2,05,14
" coloured	"	631,552	386,277	285,423	210,487	209,593	178,390	12,94,80	12,41,46	17,03,95	3,90,44	3,98,50	3,70,11
Twist and yarn	lb.	41,794	34,063	44,681	36,459	41,132	19,335	3,77,18	4,01,79	9,32,92	2,92,91	3,51,96	2,17,95
Hosiery	.	—	—	-	-	—	—	92,86	94,83	1,14,72	17,53	12,42	17,82
Handkerchiefs and shawls.	No.	24,014*	8,970	5,618	4,997	3,860	10,128	52,20*	22,92	22,58	4,23	4,59	12,68
Thread, sewing	lb.	1,598	1,722	1,268	1,439	1,220	1,459	36,10	49,65	70,93	39,63	36,99	48,91
Other sorts	.	-	—	-	—		—	1,35,66	1,35,61	1,47,68	33,54	33,85	29,84
Total	.	—	—	-	—	—	—	53,20,51	52,83,00	73,16,23	22,66,20	22,10,20	20,82,32
Grain, pulse and flour	Tons	15	34	136	1,603	2,151	1,360	19,68	53,29	2,69,56	13,76,46	21,80,54	14,34,85
Machinery and millwork—													
Metal working machinery (*excluding* machine tools)	.	—	—	-		—	—	1,49	88	35,08	38,95	49,98	60,24
Textiles, Cotton	.	-	—		—	-	—	1,46,16	1,36,32	5,34,29	2,66,86	1,96,45	1,36,93
" Jute	.	—	-		—	.	—	1,15,06	83,05	2,34,71	70,94	45,92	61,04
" Other sorts	.	—			—	-	—	3,95	3,78	37,96	40,97	26,42	27,87
Prime-movers	.	—	—	—	—	-	—	73,20	45,94	1,99,59	1,87,00	1,68,87	84,97
Electrical	.	—	—	—	—	—	—	39,89	39,60	2,43,07	3,71,92	2,35,58	1,71,22
Paper mill machinery	.	—	-		—	—	—	3,06	4,29	19,15	27,67	13,36	31,08
Sewing and knitting machines and parts.	.	-		—	—	—	—	26,35	40,20	51,40	57,25	73,21	51,08
Boilers	.	—	—	—	—	-	—	—	20,34	1,37,69	1,40,20	85,45	36,07
Tea	.	—	—			—	—	19,57	16,05	30,65	22,63	17,21	16,20
Mining	.	—	-	—	—		—	11,51	13,26	53,27	25,17	48,45	31,32
Typewriters	. No.	5	6	10	13	15	16	2,75	10,92	18,97	13,67	18,12	22,07
Rice and flour mill machinery.	.	—	—		—	-	—	6,28	6,27	39,13	6,85	5,70	4,68
Sugar	.	—	—		—	-	—	3,35	2,46	23,00	61,37	50,84	40,87

* Average for two years 1912-13 and 1913-14.

No. 6—*continued*

—	Quantity (in thousands)						Value (in thousands of rupees)					
	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Machinery and millwork—*contd.*												
Other kinds	—	—	—	—	—	—	1,02,52	90,51	5,01,88	5,73,33	4,30,74	3,40,78
TOTAL	—	—	—	—	—	—	5,61,14	5,13,87	21,64,84	19,04,78	14,66,30	11,16,42
Artificial silk	—	—	—	—	—	—	—	—	71,94	2,23,62	4,58,62	5,44,36
Dyes—												
Alizarine . lb.	6,667	1,202	4,546	874	805	1,155	32,35	12,46	52,13	5,69	6,02	17,55
Coupling dyes of the naphthol group ,,	—	—	—	2,573	2,172	1,437	—	—	—	59,95	55,74	80,29
Vats	—	—	—	1,733	1,560	1,544	—	—	—	1,29,78	1,20,33	1,72,46
Others	—	—	—	—	—	—	1,00,66	93,96	2,39,01	1,18,74	1,78,69	2,59,84
TOTAL	—	—	—	—	—	—	1,33,01	1,06,42	2,91,14	3,14,16	3,60,78	5,30,14
Instruments, apparatus and appliances—												
Electrical	—	—	—	—	—	—	70,27	1,09,31	2,84,29	3,31,29	2,87,43	2,48,95
Musical	—	—	—	—	—	—	22,73	12,11	20,16	15,50	12,45	7,04
Scientific	—	—	—	—	—	—	14,93	12,88	30,07	18,54	13,44	9,32
Photographic	—	—	—	—	—	—	9,98	13,43	25,92	1,06,38	1,24,58	1,17,03
Other kinds	—	—	—	—	—	—	17,91	17,93	31,32	1,13,60	1,19,84	1,16,24
TOTAL	—	—	—	—	—	—	1,35,82	1,65,66	3,91,76	5,85,31	5,57,74	4,98,58
Wool, raw . lb.	3,202	3,678	2,086	7,296	7,689	22,855	16,21	18,28	15,34	62,11	74,99	2,78,84
,, manufactures—												
Piecegoods . Yds	22,420	8,200	5,451	2,498	2,324	2,414	2,06,79	1,37,64	1,88,71	45,08	34,84	57,11
Goods of wool mixed with other materials. ,,	—	—	—	2,321	1,216	937	—	—	—	31,74	15,83	17,50
Shawls and lohis . No.	1,668	189	80	479	149	74	41,45	5,50	3,86	13,87	3,75	3,28
Carpets and floor rugs . lb.	1,400	636	397	144	112	168	16,20	9,57	13,56	2,42	2,40	3,99
Hosiery . ,,	440	257	156	368	272	106	11,98	11,33	12,66	13,47	9,68	5,81
Yarn and knitting wool . ,,	877	280	410	3,397	2,898	1,827	19,32	10,94	19,50	64,04	52,59	49,70
Other sorts . ,,	1,315	540	496	5,617	2,252	498	12,63	6,74	7,89	49,17	22,32	12,16
TOTAL .	—	—	—	—	—	—	3,24,58	1,99,99	2,61,61	2,81,90	2,16,40	4,28,39

Paper and pasteboard	Cwt.	-	-	1,299	3,073	2,701	2,103	1,27,07	2,02,47	3,49,73	3,22,93	3,45,92	3,94,44
Wood and Timber—													
Teak wood	C.tons	92	70	26	160	160	165	69,32	82,67	46,07	2,08,49	2,01,49	2,14,58
Others		—	—	—	—	—	—	10,07	19,62	63,05	78,20	68,24	74,75
TOTAL		—	—	—	—	—	—	79,39	1,02,29	1,09,12	2,86,69	2,69,73	2,89,33
Provisions and oilman's stores—													
Canned and bottled provisions	Cwt.	86	100	109	134	124	93	40,16	55,99	83,11	52,44	53,06	43,25
Biscuits and cakes	"	73	46	30	29	28	18	37,08	27,72	31,79	24,72	25,12	16,62
Confectionery	"	60	20	20	24	22	13	24,04	13,14	23,55	16,71	13,77	10,42
Farinaceous and patent foods	"	256	248	273	428	368	371	38,10	46,40	68,84	76,78	85,33	84,73
Milk, condensed and preserved	"	103	74	69	62	76	53	32,57	34,00	48,05	20,05	25,63	21,86
Other sorts		—	—	—	—	—	—	57,19	50,70	64,16	57,71	60,57	49,15
TOTAL		—	—	—	—	—	—	2,29,14	2,27,95	3,19,50	2,48,41	2,63,48	2,26,03
Spices—													
Betelnuts	Cwt.	1,156	1,175	1,107	1,840	1,588	1,644	1,03,24	1,36,35	1,60,48	1,95,86	1,60,03	1,64,30
Cloves	"	76	90	74	70	92	49	27,78	39,15	48,46	36,60	47,17	23,00
Others	"	97	100	84	159	260	96	28,26	30,53	28,05	30,97	47,30	30,00
TOTAL	"	1,329	1,365	1,265	2,069	1,940	1,789	1,64,28	2,06,03	2,36,99	2,63,43	2,54,50	2,19,30
Drugs and Medicines													
Camphor	lb.	1,417	1,632	707	1,869	1,737	1,131	15,65	24,37	24,71	21,88	29,22	26,73
Proprietary and patent medicines		—	—	—	—	—	—	24,74	21,87	24,70	60,75	88,96	65,10
Quinine salts	lb.	119	76	81	98	83	100	11,61	17,89	27,58	25,37	24,87	32,28
Other sorts		—	—	—	—	—	—	42,11	56,71	93,02	1,12,53	1,18,16	94,62
TOTAL		—	—	—	—	—	—	94,11	1,20,84	1,70,01	2,20,53	2,61,21	2,18,73
Hardware—													
Implements and tools		—	—	—	—	—	—	28,47	38,76	79,98	49,71	49,86	51,10
Lamps and parts		—	—	—	—	—	—	49,42	31,26	63,61	34,53	28,04	11,68
Builders' hardware		—	—	—	—	—	—	23,36	18,57	35,69	30,45	22,16	15,81
Agricultural implements		—	—	—	—	—	—	12,13	13,44	26,54	2,68	2,79	3,15
Enamelled Ironware		—	—	—	—	—	—	22,81	13,65	29,43	11,66	11,66	7,60
Domestic hardware		—	—	—	—	—	—	18,63	7,59	13,50	9,51	5,42	4,52
Other sorts		—	—	—	—	—	—	1,62,22	1,56,18	3,30,06	1,18,73	1,06,93	1,12,62
TOTAL		—	—	—	—	—	—	3,17,04	2,79,45	5,73,81	2,57,27	2,26,86	2,06,48
Liquors—													
Spirit	Gals.	1,014	1,537	1,747	965	1,078	50	1,14,60	1,56,79	2,43,02	1,22,83	1,38,28	1,14,59
Ale, beer and porter	"	4,405	2,546	2,784	3,624	3,076	2,964	59,43	53,06	87,71	73,54	66,64	75,10
Wines	"	337	266	282	118	106	86	27,95	26,23	40,76	13,89	13,49	10,23
Cider	"	15	13	12	14	19	11	49	56	79	57	74	44
TOTAL	"	6,401	4,362	4,825	4,721	4,279	4,011	2,02,47	2,36,64	3,72,28	2,10,83	2,19,15	2,00,36
Rubber, raw and manufactured		—	—	—	—	—	—	23,16	97,25	1,84,33	1,51,13	1,67,88	1,87,89

No. 6—*continued*

—		Quantity (in thousands)						Value (in thousands of rupees)					
		1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909 10 to 1913 14 average	1914-15 to 1918 19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Silk, raw and cocoons	lb.	2,659	2,031	1,921	2,248	2,020	1,691	1,18,49	1,11,12	1,52,48	62,17	62,72	75,76
„ Yarn	„	1,011	787	734	1,120	910	719	41,20	42,23	58,29	32,16	24,27	32,29
„ manufactures—													
Piecegoods	Yds.	26,030	19,719	18,788	16,878	9,121	5,867	1,82,22	2,01,50	3,24,58	67,45	54,33	40,85
Mixed goods	„	6,476	3,158	1,419	5,889	8,141	3,743	51,50	33,36	28,15	30,91	39,49	21,12
Other sorts	lb.	55	65	60	16	18	17	1,13	4,91	10,42	1,46	1,40	1,64
TOTAL		—	—	—	—	—	—	3,94,54	3,93,12	5,73,92	1,94,15	1,82,21	1,71,66
Tea Chests		—	—	—		—	—	43,61	79,89	71,64	90,30	83 39	1,34,45
Railway plant and rolling stock—													
Carriages and wagons and parts		—	—	—				2,44,97	1,54,92	5,93,67			
Locomotives		—	—	—				1,04,46	89,37	3,11,71			
Materials for construction—													
Sleepers and keys of steel or iron.	Tons	50	21	37				49,25	24,00	77,27			
Sleepers of wood	„	59	12	17				40,02	8,67	27,14			
Other kinds	„	222	8	11				41,45	21,21	44,76			
TOTAL		—	—	—				4,80,15	2,98,17	10,54,65			
Tobacco—													
Cigarettes	lb.	1,731	2,623	4,129	1,218	1,371	1,380	52,74	1,12,79	1,79,68	40,27	46,02	45,38
Others	„	1,498	1,017	2,171	6,670	6,126	8,461	18,33	19,63	43,26	64,28	70,95	88,57
TOTAL	„	3,229	3,640	6,300	7,888	7 497	9,841	71,07	1,32,42	2,22,94	1,04,55	1,16,97	1,33,95
Paints and painters' materials—													
Paints and colours	Cwt.	296	255	299	253	294	214	54,19	83,08	1,13,59	66,52	80,52	78,60
Painters' materials		—	—	—	—	—	—	16,81	15,91	30,11	22,47	22,13	23,71
TOTAL		—	—	—	—	—	—	71,00	98,99	1,43,70	88,99	1,02,65	1,02,31
Fruits and Vegetables—													
Dried, salted, or preserved—													
Dates	Tons	46	47	55	65	64	58	58,03	67,52	1,06,61	44,96	55,38	54,15

Almonds	"	3	3	5	2	1	1	23,78	25,61	66,96	21,29	8,16	2,82
Others	"	4	2	3	14	9	9	10,27	8,72	13,88	21,31	15,47	16,21
Fresh fruits and vegetables	"	--	—	—	—	—	—	15,64	8,45	9,01	46,77	42,27	28,88
TOTAL		—	--	—	—	—	—	1,07,72	1,10,30	1,75,96	1,34,43	1,21,28	1,02,16
Glass and glassware—													
Bangles		—	—	—	—	—	—	91,55	31,59	74,88	24,20	18,40	6,86
Bottles and phials	Gross	166	345	233	982	629	664	12,56	25,14	37,80	27,95	20,59	24,77
Beads and false pearls	Cwt.	29	18	22	19	12	4	24,87	17,05	37,12	13,88	8,50	3,45
Sheets and plates	Sq. ft.	16,187	8,329	15,509	27,065	21,797	11,001	17,46	20,09	42,98	23,70	19,94	17,53
Funnels, globes, etc.		—	—	—	—	—	—	12,44	14,21	18,75	5,17	3,78	2,02
Other glassware		—	—	—	—	—	—	3,24	19,94	41,52	30,72	30,56	31,63
TOTAL		—	—	—	—	—	—	1,61,92	1,28,02	2,53,05	1,25,12	1,01,77	86,26
Manures	Tons	5	3	6	99	108	51	5,17	5,28	9,75	1,05,17	1,25,15	79,67
Building and Engineering materials—													
Cement	Tons	30	95	119	21	11	5	52,77	33,22	1,10,22	10,05	7,29	1,98
Bricks and tiles	No.	17,823	16 534	20,260	16,988	16,384	8,546	15,18	20,35	36,64	16,01	13,34	6,55
Others		—	—	—	—	—	—	10,12	45,23	20,10	36,12	36,13	54,88
TOTAL		--	—	—	—	—	—	78,02	98,80	1,66,96	62,18	56,76	66,41
Belting for machinery		—	—	—	—	—	—	39,53*	60,37	34,48	49,11	52,88	62,25
Stationery		—	—	—	—	—	—	57,81	64,15	1,06,52	67,04	64,70	56,98
Toilet requisites		—	—	—	—	—	—	20,48*	24,96	41,95	66,06	64,59	56,76
Bobbins		—	—	—	—	—	—	—	37,35	65,75	37,92	37,89	47,90
Salt	Tons	545	444	511	312	314	207	79,16	1,81,65	1,73,68	37,80	61,99	47,72
Books, printed, etc.	Cwt.	31	28	23	39	36	23	43,06	46,12	53,04	58,92	53,69	41,33
Haberdashery and millinery		—	—	—	—	—	—	1,36,54	1,02,30	1,30,71	46,52	43,46	41,02
Sugar—													
Sugar, 16 D. S. and above (*including* beet).	Tons	624	469	443	33	252	19	12,33,90	14,07,55	19,03,05	40,91	3,25,28	34,68
" others	"	10	3	1	1	1	1	17,07	7,47	1,69	1,29	2,98	1,42
Molasses	"	93	81	73	2	2	..	41,53	41,40	66,26	3,38	3,32	..
TOTAL	"	727	553	517	36	255	20	12,92,50	14,56,42	19,71,00	45,58	3,31,58	36,10
Matches	Gross	14,560*	14,645	12,725	1,263	1,297	1,920	88,21*	1,53,31	1,76,68	23,52	24,67	35,84

* Discontinued from April, 1928.

No. 6—*concluded.*

— —		Quantity (in thousands)						Value (in thousands of rupees)					
		1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Apparel—													
Apparel		—	—	—	—	—	—	74,64	77,31	95,66	23,17	18,59	17,60
Gold and silver thread		—	—	—	—	—	—	43,49	36,66	32,91	2,30	78	23
Hats, caps and bonnets		—	—	—	—	—	—	14,46	15,05	21,10	7,87	7,14	4,70
Second-hand clothing		—	—	—	—	—	—	12,76*	7,12	9,72	10,02	9,16	11,28
Other kinds		—	—	—	—	—	—	1,32	7,30	10,24	4,14	2,28	55
TOTAL		—	—	—	—	—	—	1,46,67	1,43,44	1,69,63	47,50	37,95	34,36
Earthenware and porcelain		—	—	—	—	—	—	52,19	45,97	78,17	39,19	35,68	30,42
Precious stones and pearls, unset		—	—	—	—	—	—	92,81	46,83	1,18,73	1,15,03	87,81	29,81
Gums and resins	Cwt.	150	87	163	252	168	168	23,86	19,65	32,77	30,13	27,23	26,65
Clocks and watches and parts		—	—	—	—	—	—	22,78	18,10	24,06	42,63	35,99	26,11
Tallow and stearine	Cwt.	57	40	64	226	208	133	16,06	15,93	28,15	32,10	32,33	24,94
Cutlery		—	—	—	—		—	21,73	15,22	30,14	25,64	22,38	20,93
Polishes		—	—	—	—	—	—	10,27*	13,06	24,27	22,73	24,78	20,90
Toys and requisites for games		—	—	—	—	—	—	40,05	30,30	52,41	37,30	32,62	19,83
Umbrellas and fittings		—	—	—	—	—	—	41,95	28,96	38,29	14,87	17,20	19,60
Soap	Cwt.	314	342	289	34	33	25	61,87	96,45	1,71,16	22,44	23,67	18,39
Hides and skins, raw	Tons	1	1	1	3	4	3	13,86	15,67	13,10	16,26	19,49	16,78
Flax, raw	lb.	7	..	1	..	.	..	6	8	1	.	..	..
" manufactures—													
Canvas	Yds.	2,835	2,037	974	825	600	279	15,74	26,64	21,34	8,29	6,52	4,46
Piecegoods	"	2,347	1,072	360	163	120	60	8,35	5,46	3,72	1,42	1,01	88
Other sorts		—	—	—	—	—	—	6,52	10,06	12,98	8,25	6,91	11,10
TOTAL		—	—	—	—	—	—	30,67	42,19	38,55	17,96	14,44	16,39
Paper-making materials	Cwt.	171	135	165	287	250	99	11,31	18,13	30,83	27,39	23,64	12,69
Furniture and cabinetware		—	—	—	—	—	—	21,53	14,75	25,71	15,95	12,71	12,69
Tea	lb.	4,842	7,412	7,668	4,082	3,346	3,461	22,29	47,38	55,43	15,73	15,96	12,59

Jute, raw . . . . . Tons	..	..	..	..	1	1	12	66	26	12	55	2,66
" manufactures	—	—	—	—	—	—	19,37	35,08	22,14	5,81	6,23	7,65
TOTAL .	—	—	—	—	—	—	19,49	35,74	22,40	5,93	6,78	9,95
Ivory	—	—	—	—	—	—	25,62	23,55	34,65	9,77	6,66	7,12
Fish (excluding canned fish) . Cwt.	205	129	119	94	101	111	30,93	20,14	22,47	6,89	7,30	6,51
Cordage and rope	23	25	15	19	19	21	9,96	15,07	11,64	7,25	6,71	6,54
Animals, living . . . No.	13	12	5	10	7	1	43,67	51,86	24,50	30,72	15,66	5,69
Oil-cloth and floor-cloth . Sq. yds.	1,444	1,121	634	819	642	665	9,28	9,83	11,96	5,58	4,24	5,68
Hides and skins, tanned . . Tons	..	..	..	..	..	..	12,83	15,40	10,59	12,18	7,10	4,82
Jewellery also plate of gold and silver .	—	—	—	—	—	—	23,82	8,55	17,23	8,25	8,83	4,95
Boots and shoes . . . . pairs	2,323	1,170	604	825	561	111	56,73	41,31	40,50	15,45	10,35	2,65
Pitch and tar . . . . Cwt.	290	219	103	57	50	25	11,86	12,46	8,16	2,09	2,38	1,54
Postal articles not specified . .	—	—	—	—	—	—	1,69,59	2,77,81	4,41,85	1,92,80	1,76,44	1,35,81
Dutiable baggage not otherwise specified. (a)	—	—	—	—	—	—	—	—	—	14,94	14,20	14,04
TOTAL VALUE OF IMPORTS .	—	—	—	—	—	—	145,84,72	147,80,19	254,04,73	152,36,71	165,28,21	1,56,79,40

* Average for two years, 1912-13 and 1913-14.
(a) Separately recorded from 1936-37.

No. 7.—Imports of cotton twist and yarn from principal countries.

(In thousands of lbs.)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
From United Kingdom	37,050	24,074	25,702	4,698	2,829	1,297
" Hongkong	25	19	193	174	49	..
" Netherlands	1,360	627	279	..	..	..
" Switzerland	1,182	339	604	8	11	2
" Italy	607	297	287	3	4	..
" China	15	214	537	10,405	10,792	3,500
" Japan	456	7,424	16,786	21,169	27,164	11,822
" Other countries	1,147	469	293	19	283	2,714
Total .	41,794	34,063	44,681	36,459	41,132	19,335

No. 8.—Imports of cotton twist and yarn by counts.

(In thousands of lbs.)

Articles	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	Percentage of total in 1940-41
Nos. 1 to 20	1,375	2,161	6,967	618	844	1,622	8·4
" 21 to 30	4,374	2,193	3,526	295	209	106	0·5
" 31 to 40	23,213	17,529	20,560	5,948	3,199	795	4·1
Above No. 40	7,602	5,965	6,291	5,548	7,318	2,387	12·3
Two-folds (doubles) . .	—	—	3,973	24,069	29,547	13,219	68·4
Unspecified descriptions .	5,230	5,169	3,324	18	15	1,216	6·3
Total .	41,794	34,063	44,681	36,459	41,132	19,335	100

No. 9.—Imports of cotton twist and yarn from 1938-39 to 1940-41 by classes from the principal supplying countries.

(In thousands of lbs.)

—	1938-39	1939-40	1940-41
Counts 1-20—			
From United Kingdom	614	698	500
„ Japan	..	17	2
„ China	..	..	..
Total (all countries)	618	844	1,622
Counts 21-30—	288	209	106
Counts 31-40—			
From United Kingdom	1,364	700	309
„ Japan	2,980	2,357	453
„ China	1,596	132	..
Total (all countries)	5,948	3,199	785
Above 40—			
From United Kingdom	2,118	1,155	335
„ Japan	1,648	3,940	1,136
„ China	1,692	2,079	638
Total (all countries)	5,548	7,318	2,387
Two-folds—			
From United Kingdom	287	67	36
„ Japan	16,584	24,845	10,200
„ China	7,117	8,572	2,983
Total (all countries)	24,039	33,547	13,219
Unspecified descriptions	18	15	1,216
Total of cotton twist and yarn	36,459	41,132	19,335

No. 10.—Imports of cotton piecegoods.

(In thousands of yards)

Countries	1909-10 to 1913-14 average	1915-16 to 1918-19 average	1919-20 to 1923-24 average	1938 39	1939-40	1940-41
Grey.						
From United Kingdom	1,315,997	815,197	568,882	30,227	8,879	966
„ Japan	2,559	81,171	96,727	227,227	223,234	168,155
„ United States of America	10,405	7,356	7,994	57	39	220
„ Other countries	2,056	1,150	3,225	131	3,585	2,260
Total	1,331,017	904,874	676,828	257,642	235,737	171,601
White.						
From United Kingdom	642,871	510,036	363,444	102,329	82,050	33,449
„ Netherlands	7,606	3,824	4,404	1,089	677	..
„ Switzerland	2,606	762	1,736	4,116	3,694	1,169
„ Japan	48	3,323	2,623	69,887	43,031	61,384
„ Other countries	1,124	946	1,362	1,714	4,221	985
Total	654,255	518,891	373,569	179,135	133,673	96,987
Coloured, etc.						
From United Kingdom	590,462	350,826	254,563	72,980	53,633	21,731
„ Netherlands	15,219	8,788	6,997	13	12	..
„ Belgium	4,082	548	812	48	53	1
„ Switzerland	2,655	1,734	1,539	1,616	777	102
„ Italy	10,320	9,111	4,183	671	491	42
„ Straits Settlements	1,458	666	1,353	68	10	15
„ Japan	521	13,095	14,049	127,694	127,109	138,547
„ Other countries	6,835	1,509	1,927	7,397	27,508	17,952
Total	631,552	386,277	285,423	210,487	209,593	178,390
Total of cotton piece-goods.						
From United Kingdom	2,549,330	1,676,059	1,186,889	205,536	144,562	56,146
„ Netherlands	23,748	12,755	11,460	1,102	689	..
„ Belgium	4,122	551	821	48	53	1
„ Switzerland	5,257	2,498	3,275	5,731	4,471	1,271
„ Italy	10,517	9,122	4,297	1,008	828	102
„ Aden and Dependencies	118	123	1,168	..	5	374
„ Burma	—	—	—	7,218	13,973	6,652
„ Straits Settlements	2,008	903	1,546	225	22	31
„ China	798	892	2,368	8	19,977	13,699
„ Japan	3,128	97,589	113,399	424,808	393,374	368,087
„ United States of America	10,486	7,911	8,421	265	479	489
„ Other countries	7,312	1,599	2,176	1,320	570	126
Total	2,616,824	1,810,042	1,335,820	647,264	579,003	446,978

No. 11.—Imports of woollen piecegoods.

(In thousands of Rupees)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	1,46,44	1,21,58	1,53,84	22,88	17,65	14,76
Germany	39,83	3,02	7,13	2,09	48	..
Netherlands	3,09	1,26	3,61	3	1	..
Belgium	1,78	81	4,20	10	2	5
France	10,85	3,35	7,80	10	13	38
Italy	83	18	2,07	4,19	2,22	21
Japan	2	6,30	8,16	14,60	14,10	40,79
Other countries	3,94	1,64	1,90	1,09	23	92
Total	2,06,78	1,37,64	1,88,71	45,08	34,84	57,11

No. 12.—Imports of raw silk, silk yarn and silk piecegoods.

(In thousands of Rupees)

Articles and Countries.	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Imports of silk, raw—						
China	83,44*	82,92*	1,19,57*	32,27	41,73	58,92
Japan	8	32	2,79	11,75	..	13,49
Hongkong	23,69	16,83	21,13	5,82	20,67	3,33
Burma	—	—	—	9,48	16	2
Other countries	10,04	9,94	6,41	2,85	16	..
Total	1,17,25	1,10,01	1,49,90	62,17	62,72	75,76
Imports of silk yarn—						
United Kingdom	4,27	3,98	1,95	3	..	..
France	65	20	1,08	..	12	..
Switzerland	57	29	31	9	1,48	..
Italy	14,22	3,55	14,56	4,84	2,44	28
China	2,75*	5,07*	9,90*	4,22	9,44	12,32
Japan	17,38	29,11	30,29	22,61	10,55	19,67
Other countries	1,35	3	20	97	24	2
Total	41,19	42,23	58,29	32,16	24,27	32,29
Imports of silk piecegoods—						
United Kingdom	3,86	4,13	5,19	17	18	13
France	8,87	3,65	2,63	15	14	2
China	53,54*	73,94*	1,34,98*	16,90	18,66	13,69
Japan	1,13,57	1,17,93	1,77,63	45,02	30,71	21,40
Other countries	2,38	1,86	4,15	5,21	4,64	5,61
Total	1,82,22	2,01,51	3,24,58	67,45	54,33	40,85

* Includes Hongkong.

No. 13.—Imports of hardware, excluding cutlery, etc.

(In thousands of Rupees)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	1,88,61	1,50,00	3,12,04	97,65	85,83	79,71
Burma	—	—	—	4,38	3,66	10,68
United States of America	24,72	60,27	1,22,35	22,41	32,18	48,01
Japan	3,59	46,68	46,00	20,81	24,60	36,72
Sweden	2,57	4,56	13,03	16,43	15,28	3,29
Germany	57,24	5,70	59,16	74,61	47,99	18
Austria	27,28	2,25	4,51	2,15	1,21	..
Hungary				99	1,16	8
Czechoslovakia				6,71	1,39	24
Belgium	5,58	51	2,74	2,55	2,96	85
Other countries	7,45	9,48	18,99	8,58	10,60	26,72
Total	3,17,04	2,79,45	5,78,82	2,57,27	2,26,86	2,06,48

No. 14.—Imports of sugar (excluding molasses and confectionery).

(In hundreds of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	7	4	7	4,2	13,5	..
Hungary	..	..	11,3	..	..	..
Straits Settlements	1,7	28,5	7,5	..	3	1
Hongkong	4,4	5,7	6,5	3,0	2,7	2,7
Mauritius and Dependencies	128,8	56,7	25,9	..	..	..
Java	453,0	367,2	382,8	24,5	233,2	16,1
Japan	2	5,7	4	..	..	..
Belgium	1	..	4,4	1	..	..
Other countries	44,6	3,1	4,0	1,7	3,5	7
Total	632,5	472,3	443,5	33,5	253,2	19,6

No. 15.—Imports of cement.

(In hundreds of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	108,0	69,7	94,2	19,4	9,9	3,2
Japan	..	14,8	6,6	4	4	5
Hongkong	2,2	7,3	3,6	..	..	..
Italy	1,3	7	9	1	1	..
Other countries	18,8	2,9	13,6	1,3	9	8
Total	130,3	95,4	118,9	21,2	11,3	4,5

No. 16.—Quantity and value of the Principal Articles of Exports, arranged in the order of their importance

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Jute, raw	Tons	764	464	554	690	570	243	22,20,24	12,90,28	19,52,77	13,39,67	19,83,33	7,84,60
" manufactures—													
Gunny bags—													
Hessian (b)	No.	339,122	667,660	98,105	143,490	745,638	284,206	9,39,10	19,17,96	3,18,81	2,00,50	8,66,32	4,41,72
Sacking (b)	"			306,154	454,946	465,062	393,742			14,91,81	10,45,24	16,78,91	15,89,19
Gunny cloth—													
Hessian (b)	Yds.	969,971	1,156,114	1,230,834	1,507,208	1,515,252	1,499,710	10,75,75	20,72,89	22,82,48	12,82,99	21,84,95	23,24,34
Sacking (b)	"			39,471	42,520	45,874	46,026			89,93	51,27	86,31	91,80
Rope and twine	Cwt.	64	76	62	176	202	115	9,62	19,65	15,05	22,31	34,31	21,48
Other kinds		—	—	—	—	--	—	40	8,81	17,59	23,80	51,35	69,95
TOTAL		—	—	—	—	—	—	42,45,11	52,99,59	62,68,44	39,65,78	68,55,48	53,22,08
Cotton, raw	Tons	490	391	521	483	526	387	33,27,83	33,63,19	64,73,89	23,85,89	30,10,80	23,56,25
" waste (a)	Cwt.	—	—	312	550	604	472	—	—	73,02	80,76	93,35	89,32
" manufactures—													
Piecegoods, Grey	Yds.	47,414	74,576	42,515	68,609	79,894	125,587	73,84	1,43,11	1,68,22	1,31,40	1,60,01	2,90,28
" Coloured	"	42,384	80,377	121,243	98,209	128,017	210,436	1,33,87	2,76,41	5,72,18	3,25,09	4,19,88	6,36,14
Twist and yarn	lb.	192,844	129,685	82,166	37,960	36,943	77,723	9,13,45	7,18,98	9,05,70	1,87,81	1,79,40	4,09,13
Other sorts		—	—	—	—	—	—	19,87	29,26	76,25	67,49	98,29	3,13,72
TOTAL		—	—	—	—	—	—	44,68,36	45,35,90	82,69,36	31,78,44	39,61,73	40,94,84
Tea	lb.	266,497	322,691	321,169	348,050	359,394	348,862	13,06,78	17,54,57	20,92,42	23,29,05	26,30,60	27,74,65
Seeds—													
Essential	Tons	10	8	9	11	8	14	20,57	24,16	35,88	22,66	20,47	38,45
Non-essential—													
Linseed	"	279	270	251	318	219	238	7,98,90	4,94,94	7,57,72	4,40,45	3,17,61	3,68,76
Groundnut	"	212	119	195	835	549	339	3,52,57	1,91,17	5,61,97	9,92,72	7,19,01	4,00,35
Rapeseed	"	273	91	206	12	22	35	4,14,69	1,43,01	5,07,37	15,82	32,77	46,92
Sesamum (til or jinjili)	"	119	33	28	8	4	4	2,43,15	67,35	1,02,73	14,81	7,49	6,91
Castor	"	114	89	48	8	40	67	1,66,43	1,57,55	1,14,54	10,06	71,18	1,18,73
Copra	"	32	16	7	..	..	..	1,10,43	60,73	23,84	38	33	38

(a) Separately recorded from December, 1918.
(b) Separately recorded from 1916-17, but has been shown as such from the quinquennium ending 1923-24.

No. 16—*continued*

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41
Seeds—*contd.*													
Non-essential—*contd.*													
Cotton	Tons	240	69	155	..	2	..	1,79,98	50,25	1,88,05	36	3,55	14
Mustard	"	4	3	2	3	3	4	10,08	9,16	9,75	4,17	6,65	9,56
Mowa	"	29	3	8	..	..	..	42,53	3,04	12,79	7	..	..
Poppy	"	33	5	6	..	..	..	69,41	9,58	20,97	29	20	65
Other sorts	"	9	2	8	4	4	3	23,23	6,48	13,03	7,43	10,22	8,07
TOTAL	"	1,453	708	923	1,199	851	704	24,36,97	12,17,42	23,53,64	15,09,22	11,89,53	10,04,92
Leather—													
Cow hides	Tons	(a)	16	10	12	21	16	(a)	4,15,98	2,84,00	1,81,54	3,34,49	3,42,07
Buffalo hides	"		1	1	1	3	2		21,43	16,02	14,62	38,66	26,78
Goat skins	"		3	1	3	3	1		1,42,53	1,03,59	1,22,20	1,17,60	49,98
Sheep skins	"		2	3	3	3	1		1,20,60	1,85,47	1,24,89	1,44,97	65,40
Other kinds	"		—	—	—	—	—		18,61	35,16	84,33	1,33,78	1,14,31
TOTAL		—	—	—	—	—	—	4,29,58	7,19,24	6,24,24	5,27,58	7,69,50	5,98,54
Grain, pulse and flour—													
Rice (in the husk)	Tons	42	32	35	3	4	2	27,18	20,09	31,36	1,62	2,87	1,56
Rice (not in the husk)	"	2,398	1,685	1,462	282	262	251	25,66,55	18,88,25	24,33,66	3,16,53	3,19,11	3,35,29
Wheat	"	1,308	807	237	279	8	45	13,96,86	10,33,41	3,66,61	2,48,42	10,20	49,71
Wheat flour	"	55	57	56	61	50	66	86,99	1,13,20	1,50,26	77,80	68,19	92,00
Pulse	"	159	129	141	81	74	88	1,29,81	1,88,52	2,02,78	92,41	96,69	1,03,94
Barley	"	227	198	40	9	..	.	1,93,16	2,21,73	46,56	7,51	72	41
Jowar and bajra	"	41	41	11	24	7	2	37,60	44,15	17,39	25,66	7,45	1,59
Other sorts	"	181	192	27	3	4	4	1,42,96	2,32,45	34,03	4,17	3,60	4,02
TOTAL	"	4,411	3,141	2,009	742	409	458	45,81,11	37,41,80	32,82,65	7,74,12	5,08,83	5,91,52

Hides and skins, raw—													
Cow hides	Tons	(a)	24	24	13	10	6	(a)	2,70,78	2,78,69	87,42	68,32	50,38
Buffalo hides	,,		8	5	2	2	1		1,11,07	46,72	12,33	9,48	3,90
Goat skins	,,		21	21	19	19	19		4,39,66	5,79,19	2,56,71	3,10,28	2,36,89
Calf skins	,,		1	1	..	..	..		22,63	16,51	2,36	1,46	1,57
Other kinds	,,		3	2	5	5	7		44,07	24,38	25,85	21,85	16,11
TOTAL	,,	78	57	53	39	36	33	10,31,60	9,88,21	9,45,49	3,84,67	4,11,39	3,13,65
Tobacco—													
Unmanufactured	lb.	20,427	24,046	25,934	60,143	57,627	70,360	23,27	41,56	73,47	2,00,87	1,80,68	1,76,70
Cigars	,,	1,535	1,260	480	34	55	41	13,01	11,23	6,09	68	81	43
Others	,,	384	611	952	4,966	4,290	4,597	63	3,44	5,34	74,08	71,32	1,10,52
TOTAL	,,	22,346	25,917	27,366	65,143	61,972	75,298	36,91	56,23	84,90	2,75,63	2,52,81	2,87,65
Fruits and Vegetables—													
Fresh		—	—	—	—	—	—	24,81	34,63	41,03	65,74	75,11	54,42
Dried, salted or preserved	Tons	11	10	10	31	29	30	21,82	22,57	23,21	1,61,12	1,61,83	1,89,61
TOTAL		—	—	—	—	—	—	46,63	57,20	64,24	2,26,86	2,36,94	2,44,03
Oils—													
Essential	Gals.	46	51	77	118	124	103	11,88	22,84	47,09	20,13	25,18	24,56
Vegetable—													
Castor	,,	1,114	1,564	396	1,103	1,254	1,205	15,22	28,22	10,39	17,08	23,67	25,68
Coconut	,,	1,787	3,259	1,720	72	51	49	31,15	65,38	50,93	1,13	90	84
GRAND TOTAL	,,	17,244	31,558	27,001	6,421	7,405	13,091	91,90	1,87,22	3,78,29	1,03,37	1,37,47	2,40,12
Wool, raw	lb.	54,573	49,688	36,208	55,416	52,815	30,774	2,68,39	3,89,61	3,28,07	2,98,68	3,22,49	1,64,19
,, manufactures—													
Carpets and rugs		1,775	1,254	3,283	8,945	8,273	6,141	23,16	19,09	77,98	81,56	73,72	66,95
Other sorts		—	—	—	—	—	—	2,84	2,12	2,86	4,71	7,26	6,29
TOTAL		—	—	—	—	—	—	2,94,39	4,10,82	4,08,91	3,84,95	4,03,47	2,37,43

(a) Detailed figures not available.

No. 16 —*continued*

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41
Lac	Cwt.	434	345	416	644	760	598	2,20,15	2,57,06	8,41,80	1,26,66	1,90,87	2,25,43
Rubber, raw	lb.	1,143	7,728	13,111	17,218	21,544	19,609	38,70	1,58,13	1,17,60	71,58	93,76	91,89
Oilcake	Tons	140	117	136	447	288	177	1,06,37	94,95	1,60,61	3,01,20	2,02,92	84,16
Coir	Tons	36	23	32	35	44	25	80,25	54,03	1,02,01	96,01	1,28,24	76,89
Hemp, raw	Cwt	509	561	455	816	744	595	78,27	1,17,87	90,44	71,98	86,20	76,26
Spices—													
Pepper	Cwt.	117	122	96	17	19	11	38,58	53,52	25,01	3,39	3,92	1,88
Chillies	"	124	126	151	129	268	293	20,43	27,23	42,20	20,99	43,39	42,25
Ginger	"	75	55	59	54	54	49	19,95	12,61	18,86	12,99	12,43	7,10
Others	"	9	11	12	187	177	152	6,97	9,99	15,31	41,29	48,19	24,29
TOTAL	"	325	315	318	387	518	511	85,86	1,03,35	1,12,30	78,66	1,07,93	75,52
Provisions and Oilman's stores—													
Ghi	Cwt.	47	46	41	44	55	44	29,48	33,25	41,28	27,81	32,37	31,28
Other sorts		—	—	—	—	—	—	16,15	27,02	24,24	31,51	38,48	41,86
TOTAL		—	—	—	—	—	—	45,63	60,27	65,57	59,32	70,85	73,09
Fish (excluding canned fish)—													
Dry, salted	Cwt.	185	166	148	120	142	150	20,97	24,61	28,14	20,90	23,12	19,50
Fishmaws and sharkfins	"	10	8	10	6	6	8	12,26	10,65	16,44	5,16	5,40	4,20
Others	"	54	65	75	210	209	188	5,27	7,40	12,22	43,23	41,19	38,75
TOTAL	"	249	239	233	336	357	346	38,62	42,66	56,80	69,29	69,71	63,15

Dyeing and tanning substances—													
Indigo	Cwt.	15	31	12	..	..	..	29,92	1,57,35	52,46	41	17	8
Myrobalans	"	1,399	1,058	1,331	1,221	1,207	834	59,78	56,51	69,48	40,01	42,48	28,41
Turmeric	"	92	78	53	73	120	104	11,06	12,31	11,38	10,18	18,63	13,01
Others	"	107	94	106	83	102	111	14,13	14,90	18,39	8,51	9,66	12,50
TOTAL .	"	1,613	1,261	1,503	1,377	1,429	1,049	1,14,91	2,41,07	1,51,71	59,11	70,94	54,00
Manures—													
Bones	Tons	95	39	90	40	52	40	65,41	28,96	94,61	26,70	30,64	23,53
Other kinds	"	22	18	28	13	19	26	13,76	24,30	40,47	10 52	17,27	22,11
TOTAL .	"	117	57	118	53	71	66	79,17	53,26	1,35,08	37,22	47,91	45,64
Paraffin wax	Tons	12	22	26	9	8	8	54,99	97,62	1,19,06	36,25	32,98	35,56
Drugs and medicines		—	—	—	—	—	—	19,24	30,07	36,16	27,83	33,19	33,66
Sugar . . .	Tons	11	8	18	59	17	14	16,01	21,91	56,34	24,18	7,96	27,20
Wood and timber—													
Teakwood . .	C. Tons	50	29	35	2	2	3	77,64	56,91	93,72	7,93	3,90	4,03
Sandal wood		—	—	—	—	—	—	13,73	9,99	8,10	6,54	9,30	10,01
Other kinds		—	—	—	—	—	—	9,05	4,44	10,18	9,19	7,86	11,32
TOTAL .		—	—	..	—	—	—	1,00,42	71,34	1,12,00	23,66	21,06	25,36
Saltpetre . . .	Cwt.	305	440	273	135	185	196	34,99	79,85	46,13	10,89	17,13	24,27
Coffee . . .	"	255	216	226	185	168	52	1,37,52	1,18,09	1,46,90	75,11	73,15	24,14
Bristles	"	94(a)	4	3	5	7	3	16,29(a)	14,20	15,11	26,32	39,15	23,62

No. 16—*concluded*

—		Quantity (in thousands)						Value (in thousands of Rupees)					
		1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41
Apparel		—	—	—	—	—	—	15,44	10,67	20,81	12,62	14,59	18,45
Cordage and rope	Cwt.	53	56	55	48	65	68	8,43	10,83	13,40	8,12	10,61	11,73
Fibre for brushes and brooms	Tons	—	4	5	9	5	5	—	15,36	21,08	15,71	13,83	10,91
Animals, living	No.	451	274	238	179	135	46	28,04	22,18	30,41	8,23	7,83	7,18
Fodder, bran and pollards	Tons	223	129	211	17	10	12	89,73	41,86	1,20,27	8,96	4,80	5,53
Silk, raw	lb.	1,711	1,017	1,325	363	432	174	42,73	39,68	37,88	2,38	4,50	2,65
" manufactures		—	—	—	—	—	—	7,09	5,87	4,09	1,88	3,28	2,48
TOTAL		—	—	—	—	—	—	49,82	45,55	41,97	4,26	7,78	5,13
Tallow, stearine and wax	Cwt.	17	13	29	11	8	12	9,48	7,93	12,06	3,27	3,22	4,92
Horns, tips, etc.	"	88	30	70	32	21	9	21,00	7,26	11,87	2,36	1,48	97
Candles	lb.	6,069	8,014	6,692	2	4	15	17,10	23,34	20,09	2	2	7
Opium	Cwt.	51	14	9	..	..	..	9,96,17	2,17,35	2,33,05	1	2	..
Postal articles		—	—	—	—	—	—	90,76	1,32,15	2,52,64	2,66,53	2,19,09	2,05,70
TOTAL VALUE OF EXPORTS		—	—	—	—	—	—	219,49,73	215,96,70	286,33,39	162,79,16	203,92,12	186,86,17

(a) Includes figures for " Fibre for brushes and brooms ".

No. 17.—Quantity and value of the Principal Articles Re-exported, arranged in the order of their importance

—	Quantity (in thousands)						Value (in thousands of Rupees)					
	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41
Hides and Skins, raw . . . Tons	—	..	..	..	1	1	—	2,87	50,65	2,19,13	4,50,55	5,16,84
Cotton, raw . . . . Tons	—	..	3	3	3	2	14	66	66,54	15,58	13,09	14,53
„ manufactures—												
Piecegoods { Grey . . Yds.	4,763	22,043	42,979	9,048	6,675	23,625	8,40	79,27	1,95,39	15,43	10,91	38,91
Piecegoods { White . . „	9,371	14,672	9,709	2,678	2,327	5,835	17,14	46,88	49,58	5,92	5,58	13,05
Piecegoods { Coloured . „	50,796	37,888	19,066	3,817	7,629	14,071	1,16,79	1,36,19	1,12,29	8,73	16,17	40,29
Twist and yarn . . lb.	926	1,045	1,365	1,293	509	749	8,05	12,77	20,47	12,33	4,96	6,71
Other sorts	—	—	—	—	—	—	7,13	18,19	21,60	2,34	2,50	4,18
Total .	—	—	—	—	—	—	1,57,65	2,93,96	4,65,87	60,33	53,21	1,17,67
Wool, raw . . . . lb.	6,580	13,673	12,903	10,556	16,403	11,219	42,50	1,02,06	98,03	31,26	57,99	79,00
„ manufactures	—	—	—	—	—	—	4,16	8,37	57,63	12,39	12,88	11,57
Total .	—	—	—	—	—	—	46,66	1,10,43	1,55,66	43,65	70,87	90,57
Machinery and millwork . . .	—	—	—	—	—	—	5,68	4,89	16,42	17,96	17,36	32,90

No. 17—*continued*

—	Quantity (in thousands)						Value (in thousands of Rupees)					
	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (average)	1914-15 to 1918-19 (average)	1919-20 to 1923-24 (average)	1938-39	1939-40	1940-41
Hardware	—	—	—	—	—	—	13,89	11,83	27,08	24,45	20,26	20,89
Sugar . . Tons	27	32	55	..	24	5	52,95	1,12,57	3,16,23	10	55,46	16,20
Silk—												
Raw . . lb.	47	49	79	16	27	68	1,23	2,00	4,98	35	84	2,04
Manufactures—												
Piecegoods . . Yds	776	997	823	1,218	1,135	489	6,37	11,67	14,98	9,38	7,97	5,17
Other sorts	—	—	—	—	—	—	66	2,41	3,94	8,10	6,29	4,77
TOTAL	—	—	—	—	—	—	8,26	16,08	23,90	17,83	15,10	11,98
Fruits and vegetables	—	—	—	—	—	—	13,11	42,23	53,05	11,37	9,07	9,43
Rubber manufactures	—	—	—	—	—	—	1,12	90	3,81	3,39	3,24	4,18
Gums and resins . . Cwt.	53	43	51	25	23	19	10,54	13,59	23,04	4,35	4,76	4,08
Haberdashery and millinery	—	—	—	—	—	—	—	3,95	8,12	5,35	3,89	2,85
Apparel (*excluding* hosiery, boots and shoes)	—	—	—	—	—	—	15,89	13,89	48,22	9,38	5,90	2,64
Postal articles	—	—	—	—	—	—	16,24	23,85	45,16	1,57	1,53	1,50
TOTAL VALUE OF RE-EXPORTS	—	—	—	—	—	—	4,61,88	8,14,38	15,64,74	6,42,36	9,65,32	11,81,28

No. 18.—Percentage of Exports of Certain Principal Crops to Total Production.

—	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1939-40	1940-41
Rice	9	5	5	1·0	1·2
Wheat	14	9	3	0·1	0·4
Tea	96	89	95	78·8	75·3
Cotton, raw	56	51	61	66·1	37·5
Jute, raw	51	31	48	32·7	10·3
Linseed	73	63	59	47·0	55·3
Rape and Mustard	23	8	19	1·9	3·6
Sesamum	25	8	6	0·8	0·9
Groundnuts	35	12	19	17·3	9·8

No. 19.—Exports of Raw Cotton.

(In thousands of bales of 400 lbs.)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	122	212	152	411	473	291
Other parts of the British Empire	30	21	13	23	26	43
Total British Empire	152	233	165	434	499	334
Japan	1,012	1,378	1,540	1,211	1,056	705
Italy	233	249	263	92	52	5
France	109	69	91	169	229	126
China (*exclusive* of Hongkong, etc.)	31	48	289	193	681	754
Belgium	277	44	217	142	68	5
Spain	50	41	61	2	15	..
Germany	351	69	198	192	52	..
Austria (a)	167	33	32	..	..	..
Other countries	25	31	61	268	296	239
Total Foreign Countries	2,255	1,957	2,752	2,269	2,449	1,834
Total	2,407	2,190	2,917	2,703	2,948	2,168

(a) Figures prior to 1921-22 relate to Austria-Hungary.

No. 20.—Exports of Cotton Twist and Yarn.

(In thousands of lbs.)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Burma	—	—	—	12,443	15,237	44,291
China	169,953	110,284	62,751	683	349	6
Egypt	2,183	5,458	4,720	289	562	1,707
Straits Settlements	4,411	4,111	2,727	5,538	3,190	2,962
Iran	2,030	2,677	2,725	1	2	1
Thailand	305	623	1,183	1,006	368	577
United Kingdom	683	1,246	474	182	2,669	11,382
Arabia other than Maskat	144	1,961	71	241	232	183
Other countries	13,135	3,325	7,515	17,577	14,343	16,674
Total (All Countries)	192,844	129,685	82,166	37,960	36,948	77,723

No. 21.—Exports of cotton twist and yarn by counts.

(In thousands of lbs.)

Articles	Average for two years 1912-13 and 1913-14	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Nos. 1 to 20	196,459	124,697	70,319	27,628	27,450	46,608
,, 21 to 40	4,384	4,274	2,395	7,639	6,976	23,504
Above No. 40	2	170	170	809	409	1,257
Two-folds (doubles)	..	..	6,782	305	73	1,497
Unspecified descriptions	125	544	2,500	1,579	2,035	4,857
Total	200,970	129,685	82,166	37,960	36,943	77,723

No. 22.—Exports of Indian grey and coloured cotton piecegoods.

(a) Grey (unbleached).

(In thousands of yards)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Burma	—	—	—	45,404	52,994	51,824
Iran	4,009	9,826	3,117	..	..	..
Iraq*	9,683	9,537	8,513	145	211	1,398
Straits Settlements	667	1,608	933	3,520	3,823	3,664
Aden and Dependencies	7,636	21,828	6,235	298	453	162
Kenya Colony and Zanzibar and Pemba	4,158	8,926	7,292	738	432	20,313
Ceylon	175	533	301	316	509	1,520
Portuguese East Africa	4,914	5,266	4,457	1,349	3,597	908
Other countries	16,172	17,052	11,667	16,839	17,875	45,748
Total (all countries)	47,414	74,576	42,515	68,609	79,894	125,537

(b) Coloured, printed or dyed.

Burma	—	—	—	37,871	58,909	65,884
Iran	3,289	21,421	24,221	1,520	24	36
Iraq*	2,757	12,188	29,486	3,630	2,257	4,312
Straits Settlements	13,244	16,319	20,150	11,189	16,309	21,144
Aden and Dependencies	2,534	3,147	4,346	2 067	1,386	390
Kenya Colony and Zanzibar and Pemba	1,206	2,503	3,850	2,184	2,771	25,274
Ceylon	9,330	9,618	16,409	18,325	21,371	25,481
Portuguese East Africa	669	618	1,978	2,201	3,153	4,185
Other countries	9,355	14,563	20,703	19,222	26,337	63,730
Total (all countries)	42,384	80,377	121,243	98,209	128,017	210,436

*Figures prior to 1921-22 relate to Turkey, Asiatic.

No. 23.—Exports of raw jute.

(In thousands of bales)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	1,691	1,295	952	1,012	1,094	531
Other parts of the British Empire	4	8	5	19	32	29
Total British Empire	1,695	1,303	957	1,031	1,126	560
United States of America	535	523	483	174	284	256
France	428	198	357	426	478	117
Italy	213	215	180	258	153	29
Brazil	15	66	70	138	193	65
Japan	17	30	60	33	76	53
Belgium	..	1	174	285	185	5
Spain	122	172	132	63	90	97
Germany	920	34	586	739	197	..
Austria } Hungary }	250	13	2	7 / 9	.. / ..	.. / ..
Other countries	86	44	92	653	439	180
Total Foreign Countries	2,586	1,296	2,145	2,835	2,065	802
Total	4,281	2,599	3,102	3,866	3,191	1,362

No. 24.—Exports of jute gunny bags and cloth.

Bags—Hessian.

(In lakhs of bags)

Countries	Average of 3 years 1916-17 to 1918-19	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	2,523	113	586	6,615	1,847
Australia	77	168	110	39	82
United States of America	323	314	100	58	36
Argentine Republic	84	16	3	..	3
Other countries	1,120	370	636	744	874
Total (All Countries)	4,127	981	1,435	7,456	2,842

Bags—Sacking.

(In lakhs of bags)

Countries	Average of 3 years 1916-17 to 1918-19	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	102	305	167	242	268
Australia	633	470	547	667	651
Japan	134	186	20	6	10
French Indo-China	186	148	227	257	116
Java	213	205	233	301	171
United States of America	92	51	9	66	27
Chile	467	249	85	77	91
Peru	51	39	73	83	72
Cuba	210	235	189	197	157
Other countries	941	1,174	3,000	2,755	2,384
Total (All Countries)	3,029	3,062	4,549	4,651	3,937

No. 24.—Exports of jute gunny bags and cloth—*contd.*

Cloth—Hessian.

(In lakhs of yards)

Countries	Average of 3 years 1916-17 to 1918-19	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	1,287	628	1,643	2,506	1,768
Canada	561	508	884	1,337	1,012
Australia	177	123	298	390	347
United States of America	7,057	8,810	8,397	7,626	8,687
Argentine Republic	1,134	1,756	2,832	2,065	2,085
Uruguay	42	85	56	142	109
Other countries	1,209	398	967	1,086	989
Total (All Countries)	11,467	12,308	15,072	15,152	14,997

Cloth—Sacking.

(In lakhs of yards)

Countries	Average of 3 years 1916-17 to 1918-19	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	103	113	70	97	271
Australia	74	52	17	22	18
United States of America	29	128	16	18	32
Argentine Republic	42	56	77	104	15
Other countries	55	46	245	218	124
Total (All Countries)	303	395	425	459	460

No. 25.—Exports of jute gunny bags and cloth.

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Bags	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)	No. (lakhs)
United Kingdom	305	2,265	418	753	6,857	2,115
Europe (*excepting* United Kingdom)	206	688	299	365	211	100
Egypt	119	385	102	220	288	482
South Africa (*including* Rhodesia)	119	243	177	282	385	363
East Africa (*including* Mauritius)	99	96	112	307	367	234
Australia and New Zealand	628	737	720	788	871	940
Java	130	206	205	234	303	174
Japan	35	118	186	28	6	10
Far East (*excepting* Java and Japan)	393	436	584	1,919	1,591	1,084
South America	451	532	335	218	188	207
Central America and West Indies	130	229	298	320	335	317
Other countries	796	747	607	550	705	753
Total (All Countries)	3,391	6,676	4,043	5,984	12,107	6,779
Cloth	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)	Yds. (lakhs)
United Kingdom	423	1,333	741	1,713	2,608	2,039
Canada	333	534	508	887	1,341	1,017
Australia	209	253	175	310	412	365
United States of America	6,639	6,985	8,988	8,413	7,645	8,719
Argentine Republic	1,727	1,440	1,813	2,909	2,169	2,100
Other countries	369	1,016	523	1,265	1,441	1,217
Total (All Countries)	9,700	11,561	12,708	15,497	15,611	15,357

No. 26.—Exports of Indian tea.

(In thousands of lbs.)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
British Empire						
United Kingdom	194,481	252,338	279,777	303,731	289,650	314,616
Burma	—	—	—	1,988	2,744	2,973
Canada	10,195	10,063	10,165	15,471	27,144	14,503
Australia	8,978	8,253	5,758	1,344	3,678	649
Ceylon	4,162	3,403	3,107	3,933	6,992	2,162
Egypt (c)	1,209	1,918	2,072	—	—	—
Iraq (a)	—	—	2,382	—	—	—
Cape of Good Hope	116	1,131	806	—	—	—
Other British Possessions	2,028	2,806	2,526	4,935	5,902	1,894
Total British Empire	221,169	279,912	306,593	331,402	336,110	336,797
Iraq (a)	—	—	—	199	219	109
Egypt (c)	—	—	—	356	525	219
Union of Socialist Soviet Republics	29,614	18,390	4	75	35	..
United States of America	2,439	6,346	5,587	8,096	13,416	9,308
China (*exclusive* of Hongkong, etc.)	7,899	6,230	23	1	..	62
Turkey, Asiatic (b)	3,324	3,000	2,018	223	223	243
Iran	347	4,406	2,115	5,111	6,136	1,285
Chile	44	1,733	1,490	8	21	96
Other countries	1,661	2,674	3,339	2,579	2,709	743
Total Foreign Countries	45,328	42,779	14,576	16,648	23,284	12,065
Total	266,497	322,691	321,169	348,050	359,394	348,862

No. 27.—Exports of seeds.

Linseed.

(In hundreds of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	130,5	203,5	141,9	270,5	172,5	199,6
France	76,8	25,3	42,9	8,8	2,4	1,3
Italy	26,6	16,6	16,1	9	4	..
Belgium	67,8	4,9	23,1	7	..	..
Germany	33,5	2,0	3,2	10,1	6,0	..
Australia	1,6	11,1	11,4	21,0	30,5	35,5
Other countries	42,2	7,0	12,9	6,3	7,4	1,4
Total	379,0	270,4	251,5	318,3	219,2	237,8

Rape.

United Kingdom	25,3	50,5	46,7	2,7	15,6	23,5
France	63,5	19,6	17,0	3,6	3,5	9,5
Italy	7,1	6,0	26,0	5	..	..
Belgium	98,6	5,4	36,5	1,3	..	..
Germany	68,2	1,6	38,4	3	..	..
Other countries	10,0	7,6	21,2	3,3	2,6	1,9
Total	272,7	90,7	205,8	11,7	21,7	34,9

(a) Shown as a foreign country from 1927-28.
(b) Figures prior to 1921-22 include Iraq.
(c) Shown as a foreign country from 1919-24.

No. 27.—Exports of seeds—*contd.*

Sesamum (Til or Jinjili).

(In hundreds of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
France	43,1	15,7	7,6	4	..	..
Italy	13,0	4,1	8,7	6	..	..
Belgium	26,2	1,1	2,1	..	..	..
Austria (a)	20,2	8	8	..	..	..
Other countries	16,8	10,9	8,4	6,7	3,5	3,9
Total	119,3	32,6	27,6	7,7	3,5	3,9

Groundnut.

France	169,1	87,5	126,8	149,8	99,4	25,2
United Kingdom	1,9	8,3	13,3	96,4	108,2	214,1
Belgium	15,3	6	14,0	65,8	47,2	5,7
Italy	7	2 9	14,6	34,6	19,5	.
Germany	7,4	8	12,2	115,2	53,0	..
Netherlands	1	..	7,3	231,7	126,0	13,2
Other countries	17,3	18,6	7,0	141,6	95,3	80,3
Total	211,8	118,7	195,2	835,1	548,6	338,5

Cotton.

United Kingdom	233,2	66,6	152,1	..	..	.
Other countries	6,8	2,6	2,7	5	1,8	1
Total	240,0	69,2	154,8	5	1,8	1

Castor.

United Kingdom	53,9	47,1	10,5	1,4	12,0	35,4
United States of America	11,8	14,7	18,8	..	13,3	14,5
Belgium	13,7	1,1	4,1	..	5	..
France	15,7	14,8	8,8	2	2,0	9,6
Italy	11,0	7,1	4,3	..	7	1,8
Other countries	7,5	4,0	1 5	6,0	11,9	5,7
Total	113,6	88,8	48,3	7,6	40,4	67,0

No. 28.—Shares of principal countries in the total value of exports of seeds.

(In thousands of Rupees)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
United Kingdom	5,67,83	6,34,83	8,28,61	4,98,76	4,41,39	6,46,62
Other parts of the British Empire	35,29	69,65	72,27	99,95	1,47,55	1,70,76
France	7,11,59	3,24,57	6,21,53	1,98,30	1,45,71	79,09
Belgium	4,44,19	25,99	2,87,03	81,69	65,05	8,16
Italy	1,12,81	64,84	1,94,33	43,76	27,90	3,29
Germany	3,45,51	17,57	1,46,30	1,50,72	75,85	.
Netherlands	29,61	2,74	79,71	2,85,64	1,63,10	19,20
Other Foreign Countries	1,90,14	77,23	1,23,86	1,50,40	1,22,98	77,81
Total	24,36,97	12,17,42	23,53,64	15,09,22	11,89,53	10,04,92

(a) Figures prior to 1921-22 relate to Austria-Hungary.

No. 29.—Exports of Wheat.

(In thousands of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
British Empire—						
United Kingdom	985	340	162	206	..	13
Burma	—	—	—	5	3	5
Egypt (a)	4	268	9	—	—	—
Other parts of the British Empire	3	22	2	2	3	2
Total British Empire	992	630	173	213	6	20
Foreign Countries—						
France	106	84	18	..	..	..
Italy	34	62	11	8	..	..
Belgium	138	6	16	7	..	..
Germany	16	..	8	48	..	..
Egypt (a)	—	—	—	1	..	..
Other Foreign Countries	22	25	11	2	2	25
Total Foreign Countries	316	177	64	66	2	25
Total (All Countries)	1,308	807	237	279	8	45

No. 30.—Exports of Rice not in the Husk.

(In thousands of tons)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
British Empire—						
United Kingdom	159	325	96	6	7	6
Ceylon	325	328	311	105	91	117
Hongkong	13	3	50	..	..	..
Straits Settlements	308	261	170	11	9	10
Mauritius	56	50	50	40	31	29
Egypt (a)	54	17	36	—	—	—
Other parts of the British Empire	129	110	122	63	67	48
Total British Empire	1,044	1,094	835	225	205	210
Foreign Countries—						
China (*exclusive* of Hongkong etc.)	13	6	68	..	..	..
Germany	345	23	207	..	..	..
Egypt (a)	—	—	—	..	..	..
Japan	123	52	52	..	..	..
Netherlands	240	24	31	3	1	..
Turkey, Asiatic	61	31	1	..	..	..
Arabia	25	38	47	43	45	35
Java	168	82	75	..	..	..
Sumatra	10	33	33	..	..	..
Other Foreign Countries	369	302	113	11	11	6
Total Foreign Countries	1,354	591	627	57	57	41
Total	2,398	1,685	1,462	282	262	261

(a) Shown as a Foreign country from 1923-24.

No. 31.—Exports of Hides and Skins.

(In thousands of Rupees)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1938-39	1939-40	1940-41
Raw hides—						
United Kingdom	30,57	1,09,41	59,96	9,17	26,01	23,82
United States of America	68,76	1,65,15	85,53	2,82	9,01	18,52
Italy	83,85	1,44,99	52,25	9,88	6,69	68
Spain	46,85	20,64	26,23	..	..	62
France	8,27	9,06	5,19	1,87	1,58	4,78
Belgium	7,07	98	3,61	1,80	1,02	13
Germany	2,43,48	24,99	75,37	27,63	5,87	..
Netherlands	16,54	96	3,73	3,08	1,72	..
Austria	1,28,77	9,96	44	4	..	..
Hungary			..	52	1,33	39
Other countries	22,96	18,51	29,67	45,62	26,10	12,42
British Empire	34,15	1,16,46	68,41	9,56	26,36	23,97
Foreign Countries	6,22,97	3,88,14	2,73,57	92,89	52,92	36,89
Total	6,57,12	5,04,60	3,41,98	1,02,43	79,28	60,86
Raw skins—						
United States of America	2,79,90	3,93,36	4,79,94	1,48,56	1,96,15	1,66,65
United Kingdom	25,75	38,91	50,41	51,69	76,82	44,59
France	25,41	21,90	28,46	20,59	20,56	21,14
Other countries	41,93	28,17	42,89	57,86	35,66	14,57
British Empire	32,04	57,54	68,73	69,48	95,70	58,45
Foreign Countries	3,40,95	4,24,80	5,32,97	2,09,22	2,33,49	1,88,50
Total	3,72,99	4,82,34	6,01,70	2,78,70	3,29,19	2,46,95
Dressed and tanned hides—						
United Kingdom	1,52,48	4,37,88	2,90,56	2,17,67	4,13,02	4,00,71
Other countries	4,19	1,86	28,80	9,73	19,01	22,50
Total British Empire	1,53,44	4,38,93	3,02,82	2,20,19	4,16,91	4,06,51
„ Foreign Countries	3,23	81	16,54	7,21	15,12	16,70
Total	1,56,67	4,39,74	3,19,36	2,27,40	4,32,03	4,23,21
Dressed and tanned skins—						
United Kingdom	2,15,45	1,98,57	2,13,83	2,27,79	2,50,15	98,50
United States of America	29,19	58,62	24,74	2,05	6,87	8,64
Japan	12,79	11,82	36,21	5,62	55	1,36
Other countries	13,35	5,94	17,81	12,69	8,56	7,74
Total British Empire	2,21,15	2,02,35	2,25,82	2,32,81	2,56,34	1,05,57
„ Foreign Countries	49,63	72,60	66,77	15,34	9,79	10,67
Total	2,70,78	2,74,95	2,92,59	2,48,15	2,66,13	1,16,24

No. 32.—Exports of Lac.

(In Cwts.)

Countries	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average*	1938-39	1939-40	1940-41
Shellac—						
United Kingdom	79,423	65,023	75,618	120,887	54,517	36,500
United States of America	164,331	190,537	233,516	127,516	264,932	254,406
Germany	60,558	4,051	11,076	34,343	15,832	..
France	18,387	9,372	8,810	9,233	8,470	5,360
Japan	3,552	11,859	10,392	25,066	15,271	9,725
Canada	37	691	2,112	4,313	6,462	7,204
Australia	1,763	2,008	2,375	3,775	6,527	11,180
Other countries	28,290	17,130	12,038	59,049	60,111	48,095
Total	356,341	300,671	355,937	384,182	432,122	372,470
Button lac—						
United Kingdom	20,181	6,029	8,832	11,963	12,150	6,867
United States of America	2,689	1,342	3,062	1,419	4,345	6,259
Other countries	11,886	2,134	2,192	6,620	8,011	3,270
Total	34,756	9,505	14,086	20,002	24,506	16,396
Seed lac (Total exports)	9,748	15,666	5,765	206,051	269,999	201,681
Stick lac (Total exports)	5,375	2,723	1,560	2,855	1,173	801
Other kinds (Total exports)	28,131	16,811	38,903	30,728	32,132	6,485
Total (all kinds)	434,351	345,376	416,251	643,848	759,932	597,833

No. 33.—Production, Mill consumption and exports of raw jute.

(In lakhs of bales)

	Production	Mill consumption* July—June	Exports July—June
Season July—June			
1931-32	55	43	31
1932-33	71	44	35
1933-34	80	43	43
1934-35	85	46	44
1935-36	72	50	41
1936-37	96	61	49
1937-38	87	67	37
1938-39	68	62	39
1939-40	97	72	30
1940-41	132	55	13

* Represent figures for Association mills only.

No. 34.—PRODUCTION, IMPORTS, MILL AND OTHER CONSUMPTION, EXPORTS AND RE-EXPORTS OF RAW COTTON.

(In lakhs of bales)

—	Production (a)	Imports (b)	Mill consumption† (c)	Estimated other consumption (a)	Exports (b)	Re-exports (b)
Season Sept. to Aug.—						
1930-31	53	4·7	23	7·5	37	..
1931-32	40	5·5	23	7·5	16	..
1932-33	47	2·5	24	7·5	29	..
1933-34	52	2·4	23	7·5	34	..
1934-35	49	4·6	26	7·5	31	..
1935-36	59	3·1	27	4·5*	37	..
1936-37	62	5·0	26	4·5*	43	..
1937-38	57	7·9	30	4·5*	21	..
1938-39	51	4·1	32	4·5*	33	..
1939-40	49	5·1	30	4·5*	24	..
1940-41	58	5·0	36	4·5*	20	..

*Estimate, as arrived at by the I. C. C. Committee, Bombay, on the basis of the results of enquiries conducted in selected areas.

† Represents figures compiled by the Indian Central Cotton Committee, Bombay.

(a) Prior to 1935-36 figures are inclusive of Burma

(b) Prior to 1st April, 1935, figures are inclusive of Burma.

(c) Prior to 1st April, 1937, figures are inclusive of Burma.

No. 35.—PRODUCTION IN THE INDIAN MILLS OF COTTON TWIST AND YARN BY COUNTS.

(In thousands of lbs.)

ARTICLES	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1933-34	1939-40	1940-41	Percentage of total in 1940-41
Nos. 1 to 20	478,538	466,952	447,157	6[illegible],030	668,959	772,372	57·2
" 21 to 30	146,363	174,069	195,368	541,310	311,393	311,928	23·1
" 31 to 40	18,699	20,987	16,920	167,716	157,308	159,295	11·8
Above No. 40	2,655	3,834	2,690	91,613	81,755	88,457	6·6
Waste	502	385	375	14,517	15,458	16,987	1·3
TOTAL	646,757	666,227	662,510	1,303,246	1,2[illegible]4,873	1,[illegible]49,039	100

No. 36.—PRODUCTION IN THE INDIAN MILLS OF COTTON PIECEGOODS.

(In thousands of yards)

ARTICLES	1909-10 to 1913-14 average	1914-15 to 1918-19 average	1919-20 to 1923-24 average	1933-34	1939-40	1940-41
Grey and bleached piecegoods	854,141	1,065,855	1,209,684	3,337,129	3,086,318	3,165,420
Coloured piecegoods	251,353	378,187	466,182	932,140	926,211	1,104,055
TOTAL	1,105,494	1,444,042	1,675,866	4,269,269	4,012,529	4,269,475

No. 37.—Tables illustrating competition experienced by Indian products in certain Foreign markets.

Imports of Linseed into the United Kingdom, France, Italy and Australia.

(In thousand quintals)

—	1913	1914	1936	1937	1938	1939	1940
United Kingdom.							
Total	6,550	4,950	2,771	2,906	2,808	(a)	(a)
Argentina	2,250	2,090	475	926	451		
India	1,360	2,380	2,251	1,955	2,326		
India's percentage	*21*	*48*	*81*	*67*	*83*		
France.							
Total	2,514	1,337	2,825	2,740	2,032	(a)	(a)
Argentina	1,143	546	2,520	2,473	1,775		
India	1,026	617	117	81	64		
India's percentage	*41*	*46*	*4*	*3*	*3*		
Italy.							
Total	454	324	542	811	526	(a)	(a)
Argentina	133	11	426	764	509		
India	261	282	28	11	2		
India's percentage	*57*	*87*	*5*	*1*	..		
Australia.*							
Total	35	46	345	296	323	(a)	(a)
Argentina	..	..	56	56	56		
India	27	38	195	218	258		
India's percentage	*77*	*82*	*57*	*74*	*80*		

Imports of Rapeseed into the United Kingdom, Belgium, Italy and France.

(In thousand quintals)

—	1913	1914	1936	1937	1938	1939	1940
United Kingdom.							
Total	530	620	233	239	215	(a)	(a)
India	190	210	..	..	..		
India's percentage	*36*	*34*	..	..	..		
Belgium.							
Total	94	..	44	58	51	24	(a)
Roumania	14	..	..	4	6	2	
Argentina	3	..	1	2	..	..	
India	67	..	23	32	20	..	
India's percentage	*72*	..	*52*	*55*	*39*	..	
Italy.							
Total	102	220	69	102	54	(a)	(a)
India	95	183	6	77	26		
India's percentage	*93*	*83*	*9*	*75*	*48*		
France.							
Total	538	404	106	137	128	(a)	(a)
India	482	303	50	79	69		
India's percentage	*90*	*75*	*47*	*58*	*54*		

* Figures for Australia, except those for 1913, relate to official years.

(a) Figures not available.

Note.—One quintal = 220·46 lbs.

No. 37—*continued.*

Imports of Sesamum seed into France and Italy.

(In thousand quintals)

—	1913	1914	1936	1937	1938	1939	1940
FRANCE.							
Total	278	261	19	2	1	(a)	(a)
India	228	251	..	..	..		
India's percentage . .	*82*	*96*	..	..	..		
China	10	2	..	..	..		
China's percentage . .	*4*	*7*	..	..	..		
ITALY.							
Total	(a)	(a)	144	293	54	(a)	(a)
India			12	53	3		
India's percentage . .			*8*	*18*	*6*		
China			77	162	27		
China's percentage . .			*53*	*55*	*50*		

Imports of Groundnut into France.

(In thousand quintals)

—	1913	1914	1936	1937	1938	1939	1940
UNSHELLED.							
Senegal	1,738	1,734	4.163	4,834	3,759	(a)	(a)
West Africa (other ports) .	466	659	..	..	..		
India	325	265	..	..	..		
Total	2,634	2,742	4,222	4,915	3,884		
Corresponding total (shelled).*	1,976	2,057	3,166	3,686	2,913		
SHELLED.							
India	2,442	2,700	1,990	1,153	2,111	(a)	(a)
Senegal	..	20	1,052	1,729	1,713		
Other countries . .	245	262	657	1,170	766		
Total	2,687	2,982	3,699	4,052	4,590		
Percentage of total supplied by India.	*58*	*58*	*29*	*28*	*46*		

(a) Figures not available.

* These figures have been calculated on the basis of 100 tons unshelled = 75 tons shelled.

NOTE.—One quintal = 220·46 lbs.

No. 37—*concluded.*

Imports of Tea into certain countries.

(In thousands of lbs.)

—	1909-10 to 1913-14 Average	1914-15 to 1918-19 Average	1936	1937	1938	1939	1940
United Kingdom—							
India	189,093	233,423	268,710	275,545	291,513	232,795	(d)
Ceylon	111,796	100,568	145,193	140,933	167,071	141,822	
China	19,652	17,682	8,662	13,011	6,986	1,205	
Java	17,999	18,594	38,102	26,443	31,518	12,761	
Total	349,150	377,142	481,631	487,424	526,714	411,321	
Percentage of India's share of total	*54·2*	*61·9*	*55·8*	*56·5*	*55·3*	*56·6*	
France—							
India	1,515	2,957	193	231	274	(d)	(d)
China	7,359	5,785	449	492	422		
Total	9,601	11,093	3,167	3,053	2,801		
Percentage of India's share of total	*15·8*	*26·7*	*6·1*	*7·6*	*9·8*		
Canada (a)—							
India	13,850	13,619	22,398	21,184	21,514	27,631	(d)
Ceylon	15,481	10,137	13,805	12,280	12,614	11,598	
China	2,772	1,763	666	642	319	210	
Japan	4,128	5,556	2,408	2,394	2,235	2,761	
Total	36,753	38,930	40,621	37,980	37,591	43,394	
Percentage of India's share of total	*37·7*	*33·4*	*55·1*	*55·8*	*57·2*	*63·7*	
United States of America (b)—							
India	6,640	10,722	12,277	10,124	12,173	15,797	17,204
Ceylon	18,893	19,247	21,968	19,967	22,145	25,152	25,929
China	22,130	18,902	4,613	6,621	6,307	3,510	5,392
Japan	46,245	49,339	18,704	28,746	17,056	23,511	17,656
Java	158	8,656	18,651	18,734	20,639	28,276	31,009
Total	95,126	107,153	82,477	94,817	81,372	97,791	98,963
Percentage of India's share of total	*7·0*	*10·0*	*14·9*	*10·7*	*15·0*	*16·2*	*17·2*
Australia (c)—							
India	8,714	8,430	2,380	1,104	1,713	(d)	(d)
Ceylon	19,973	23,406	11,925	10,772	11,594		
China	2,897	1,982	1,582	1,722	1,159		
Java	3,756	7,746	32,325	31,000	34,273		
Total	35,442	41,937	48,655	45,307	49,531		
Percentage of India's share of total	*24·6*	*20·1*	*4·9*	*2·4*	*3·5*		
New Zealand—							
India	651	857	259	316	220	525	816
Ceylon	6,147	7,400	10,743	10,027	10,882	10,838	10,757
China	39	58	179	157	61	61	51
Java	..	342	1	..	..	..	..
Total	7,543	9,236	11,242	10,681	11,174	11,492	11,807
Percentage of India's share of total	*8·6*	*9·3*	*2·3*	*3·0*	*2·0*	*4·6*	*6·9*

(a) Figures for the years 1936 and 1937 relate to the official years ending March, 1937 and 1938, respectively.

(b) Re-exports of Indian, Ceylonese, Chinese and Javanese tea from the United Kingdom to the United States of America are included in the figures of imports from India, Ceylon, China and Java, respectively, as far as information is available.

(c) Figures for 1936 relate to the official year ending June, 1937 and similarly for the subsequent years.

(d) Figures not available.

No. 38.—Quantity and value of the principal articles of Imports into the Kathiawar ports (arranged in the order of their importance)

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Machinery and millwork—							
Textiles, Cotton		—	—	—	10,79	8,23	3,63
„ Other sorts		—	—	—	1,02	31	9
Prime-movers		—	—	—	11,63	3,20	1,20
Electrical		—	—	—	2,06	1,38	2,16
Sewing and knitting machines and parts		—	—	—	53	21	1
Boilers		—	—	—	42	21	3
Other kinds		—	—	—	13,28	9,56	24,83
Total		—	—	—	39,73	23,10	33,95
Sugar—							
Sugar 23 D. S. and above	Ton	26,627	85,580	12,560	27,38	1,08,09	22,78
„ below 23 D. S. but not below 16 D. S. (including beet)	„	504	10	59	63	2	12
Sugar Candy	„	92	84	46	15	18	13
Molasses	„	242	791	2	42	1,25	1
Total	„	27,465	86,465	12,667	28,58	1,09,54	23,04
Grain, pulse and flour—							
Pulse	Ton	516	1,739	255	65	2,45	34
Rice not in the husk	„	32,657	44,985	14,867	30,91	44,37	17,45
Other sorts	„	550	14,810	917	50	12,43	86
Total	„	33,723	61,534	16,019	32,06	59,25	18,65
Wood and Timber—							
Teak wood	Cu. ton	10,140	11,028	10,516	10,18	11,49	11,66
Other kinds of wood and timber		—	—	—	5,89	3,66	3,08
Manufactures of wood		—	—	—	9	6	11
Total		—	—	—	16,16	15,21	14,85
Cotton—							
Raw	Ton	69	9	160	3,52	9	1,39
Manufactures— Piecegoods, grey	Yd. (000)	5,[illegible]34	5,442	1,706	6,90	7,18	2,36
„ white	„	16,293	15,920	3,823	27,09	27,08	6,81
„ coloured	„	4,140	5,320	1,513	8,02	10,75	3,03
Twist and yarn	lb. (000)	7	23	11	8	24	38
Thread, sewing	„	10	14	6	23	23	22
Other sorts		—	—	—	36	23	3
Total of Cotton		—	—	—	47,19	45,80	14,22

No. 38—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Fruits and Vegetables—							
Dried, salted, or preserved—							
Dates	Ton	18,266	12,072	36,273	9,64	7,87	11,81
Others	,,	54	4	1	10	2	2
Fresh fruits and vegetables		—	—	—	23	75	..
TOTAL		—	—	—	9,97	8,64	11,83
Instruments, apparatus and appliances—							
Electrical		—	—	—	9,52	13,42	8,32
Musical		—	—	—	36	23	..
Scientific		—	—	—	42	7	14
Surgical		—	—	—	11	8	21
Other kinds		—	—	—	58	48	33
TOTAL		—	—	—	10,99	14,28	9,00
Matches	Gross (000)	388	189	262	3,48	3,78	5,95
Paper and Pasteboard—							
Paper—							
Packing and wrapping paper	Cwt. (000)	18	29	3	2,36	3,49	66
Printing paper	,,	22	20	2	2,12	1,69	31
Writing paper and envelopes	,,	9	6	1	1,72	96	30
Old newspapers	,,	59	29	13	2,34	1,38	1,22
Others	,,	7	8	5	1,34	1,52	2,70
TOTAL OF PAPER	,,	115	92	24	9,88	9,04	5,19
Pasteboard, etc.—							
Straw boards	Cwt. (000)	33	36	2	1,45	1,64	14
Others	,,	3	3	..	43	36	..
TOTAL OF PASTEBOARD	,,	36	39	2	1,88	2,00	14
TOTAL OF PAPER AND PASTEBOARD	,,	151	131	26	11,76	11,04	5,33
Silk manufactures—							
Silk yarn	lb. (000)	6	6	115	12	23	2,12
Piecegoods	Yd. (000)	145	193	259	84	1,27	1,38
Other sorts		—	—	—	4	15	6
TOTAL		—	—	—	1,00	1,65	3,56
Artificial silk		—	—	—	1,40	1,12	3,12

No. 38—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Paints and painters' materials—							
Paints and colours	Cwt.	11,874	9,450	3,144	3,01	2,24	95
Painters' materials		—	—	—	86	1,33	76
TOTAL		—	—	—	3 87	3,57	1,71
Rubber, raw and manufactured		—	—	—	5,19	2,40	1,68
Hardware—							
Implements and tools		—	—	—	50	64	11
Lamps and parts		—	—	—	2,17	1,60	29
Builders' hardware		—	—	—	66	46	4
Enamelled ironware		—	—	—	15	14	1
Domestic hardware		—	—	—	8	10	7
Stoves	No.	3,394	1,331	.	12	4	..
Other sorts		—	—	—	1 42	3,89	95
TOTAL		—	—	—	5,10	6,87	1,47
Building and Engineering materials—							
Asphalt	Ton	1,029	1,100	1,059	88	90	83
Cement	,,	3,104	2,074		88	54	..
Tiles		—	—	—	55	54	13
Others		—	—	—	9	7	5
TOTAL		—	—	—	2,40	2,05	1,01
Liquors—							
Spirit		—	—	—	68	48	35
Ale, beer and porter		—	—	—	49	47	38
Wines		—	—	—	6	2	5
TOTAL		—	—	—	1,23	97	78
Seeds	Ton	422	284	643	57	49	69
China Clay	Cwt (000)	43	20	20	1,02	65	64
Spices—							
Betelnuts	Cwt.	3,145	6 002	1,046	44	93	16
Cloves	,,	104	1,132	643	5	57	31
Others	,,	1,194	1,137	453	21	22	13
TOTAL	,,	4,443	8,271	2,142	71	1,72	60
Provisions and oilman's stores—							
Biscuits and cakes	Cwt.	277	405	235	22	34	24
Other sorts		—	—	—	22	18	35
TOTAL		—	—	—	44	52	59

No. 38—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Drugs and Medicines—							
Proprietary and patent medicines		—	—	—	55	43	17
Other sorts		—	—	—	45	26	35
Total		—	—	—	1,00	69	52
Stationery		—	—	—	1,09	80	48
Dyes obtained from coal tar—							
Aniline	lb. (000)	62	39	1	22	12	1
Alizarine	,,	52	49	25	60	51	44
Others	,,	47	127	3	77	34	1
Total	,,	161	215	29	1,59	97	46
Earthenware and porcelain		—	—	—	1,13	1,10	40
Tobacco—							
Cigarettes	lb. (000)	33	23	14	77	59	40
Others	,,	26	4	..	15	4	..
Total	,,	59	27	14	92	63	40
Glass and glassware—							
Bangles		—	—	—	8	2	1
Bottles and phials	Gross	6,326	1,794	300	42	20	8
Beads and false pearls	Cwt.	442	473	47	24	17	2
Sheets and plates		—	—	—	2,43	1,36	20
Funnels, globes, etc.		—	—	—	6	3	..
Other glassware		—	—	—	34	38	5
Total		—	—	—	3,57	2,16	36
Starch, Dextrine and Farina	Cwt. (000)	132	108	2	9,98	7,84	24
Apparel		—	—	—	90	1,39	24
Fents	lb. (000)	58	42	23	39	28	18
Bobbins		—	—	—	26	28	18
Toilet requisites		—	—	—	23	16	18
Manures	Ton	408	730	241	44	69	15
Leather		—	—	—	11	21	11
Gums and Resins		—	—	—	19	17	10
Soap	Cwt.	375	163	116	12	6	9
Polishes		—	—	—	24	17	9
Belting for machinery		—	—	—	23	28	8
Toys and requisites for games		—	—	—	18	17	5
Asbestos		—	—	—	35	25	4
Furniture and cabinetware		—	—	—	38	9	2
Tallow and Stearine	Cwt.	483	5,245	20	13	68	1
Jewellery, also plate of gold and silver		—	—	—	1	12	1

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
Wool manufactures—							
Piecegoods	Yd. (000)	25	4	..	23	7	..
Other sorts		—	—	—	22	5	1
	TOTAL .	—	—	—	45	12	1
Clocks and watches and parts		—	—	—	10	10	
Printing and Lithographing Machinery and Materials		—	—	—	26	17	..
Telephone materials		—	—	—	14	8	..
Fireworks		—	—	—	25	5	..
Stone and Marble	Ton	4,465	9	..	54	2	..
TOTAL VALUE OF IMPORTS .		—	—	—	3,47,66	4,85,23	2,46,90

No. 39.—Quantity and value of the principal articles of Exports from the Kathiawar ports (arranged in the order of their importance).

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
INDIAN MERCHANDISE—							
Textiles—							
Cotton—							
Raw	Ton	12,360	9,509	169	52,68	38,00	91
Waste	Cwt.	84,849	61,746	38,838	11,54	8,67	7,81
Twist and yarn	lb. (000)	275	712	40	1,07	2,78	16
Piecegoods	yd. (000)	4,518	4,193	6,839	6,98	6,02	10,01
Other sorts		—	—	—	15	..	2,82
Total		—	—	—	72,42	55,47	21,71
Wool, raw	lb. (000)	11,994	16,134	13,450	60,41	97,08	1,01,96
Other Textiles, raw		—	—	—	1	..	..
Other Textiles, manufactured		—	—	—	17	16	49
Total of Textiles		—	—	—	1,33,01	1,52,71	1,24,16
Building and Engineering materials		—	—	—	16	8,72	23,99
Seeds—							
Essential	Ton	14	29	..	3	8	..
Non-essential—							
Groundnut	,,	162,004	85,144	3,432	1,90,63	1,13,27	3,82
Castor	,,	3,082	2,195	5,063	3,20	2,67	8,76
Others	,,	18	5	95	2	1	17
Total of Seeds	,,	165,118	87,373	8,590	1,93,88	1,16,03	12,75
Oilcakes	Ton	54,359	43,334	13,174	34,17	19,11	4,75
Provisions and oilman's stores—							
Ghi	Cwt.	9,556	7,876	5,827	6,78	5,85	4,59
Manures	Ton	4,079	2,067	2,717	2,76	1,27	1,32
Bones for manufacturing purposes	,,	265	566	723	34	53	1,04
Grain, pulse and flour—							
Rice (not in the husk)	,,	82	50	336	10	7	46
Other sorts	,,	68	40	108	9	7	8
Total	,,	150	90	444	19	14	54

No. 39—*continued*

—		Quantity			Value (in thousands of Rupees)		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
INDIAN MERCHANDISE—*contd.*							
Oils—							
Groundnut	Gal. (000)	523	61	29	5,24	79	37
Others		—	—	—	16	6	5
TOTAL		—	—	—	5,40	85	42
Fresh Fruits and Vegetables		—	—	—	70	41	29
Tallow and Stearine	Cwt.	776	694	400	55	44	23
Wood and timber		—	—	—	19	20	15
Spices	Cwt.	485	322	999	6	7	10
Leather—							
Goat skins	Ton	1	..	..	4	..	..
Sheep skins	"	1	..	..	3	1	..
Other skins	"	15	..	..	32	1	..
Others		—	—	—	27	..	..
TOTAL		—	—	—	66	2	..
TOTAL VALUE OF EXPORTS		—	—	—	3,80,88	3,07,85	1,76,03
FOREIGN MERCHANDISE—							
Sugar, 23 D. S. and above	Ton	..	6,111	17	..	7,23	3
Cotton, raw	"	34	..	..	16	..	..
All other articles		—	—	—	40	18	4
TOTAL VALUE OF RE-EXPORTS		—	—	—	56	7,41	7
TOTAL VALUE OF EXPORTS & RE-EXPORTS		—	—	—	3,81,44	3,15,26	1,76,10

No. 40.—Chief Imports into Burma from India as recorded in Burma Trade Returns.

Articles		Quantity (in thousands)						Value (in lakhs of rupees)					
		1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41
Indian Merchandise—													
Cotton—Twist and yarn	lbs.	10,395	12,636	18,944	12,443	17,183	44,440	56	97	2,35	61	74	2,21
Cotton piecegoods—													
Grey (unbleached)	yds.	7,859	8,570	8,649	17,595	16,965	18,110	14	22	37	30	26	30
White (bleached)	"	3,707	5,895	4,485	28,489	40,043	39,515	8	18	25	53	74	82
Coloured, printed or dyed	"	12,199	21,312	18,122	39,435	65,350	63,862	27	60	95	97	1,80	1,72
Jute bags	no.	38,948	39,822	40,123	58,548	50,882	51,624	1,19	1,66	1,88	1,32	1,77	1,75
Betelnuts	cwts.	311	279	294	165	166	159	60	56	64	25	23	22
Tobacco—unmanufactured	lbs.	21,150	16,432	16,687	14,683	14,666	15,879	58	43	51	23	26	30
Pulse	tons	14	12	15	5	5	7	20	20	36	8	6	9
Wheat flour	"	16	12	18	27	25	31	23	27	52	36	32	46
Cigarettes	lbs.	83*	—	262	1,080	1,090	1,843	1*	—	10	50	51	80
Oils—groundnut	gals.	1,227	750	1,167	3,125	3,912	6,036	23	14	28	36	49	78
Tea	lbs.	997	1,279	1,952	1,917	2,663	3,115	7	9	13	11	21	30
Butter	"	423	—	525	471	479	481	4	—	7	4	5	5
Ghi	cwts.	39	30	31	14	15	13	25	22	34	9	11	10
Boots and Shoes	pairs	43	—	210	1,221	1,140	1,275	1	—	8	8	12	15
Fruits and Vegetables—													
Fresh Vegetables	value	—	—	—	—	—	—	21	10	19	23	18	10
Dried, salted or preserved	tons	5	4	1	8	7	6	10	9	17	12	9	12

*Average of three years.

No. 40.—Chief Imports into Burma from India as recorded in Burma Trade Returns—*contd.*

Articles	Quantity (in thousands)						Value (in lakhs of rupees)					
	1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41
Foreign Merchandise—												
Cotton piecegoods—												
Grey (unbleached) . . yds.	3,009	3,116	5,496	1,435	1,006	1,452	5	9	24	3	2	3
White (bleached) . . „	2,586	3,741	2,003	660	830	1,004	5	13	11	1	2	3
Coloured, printed or dyed „	2,833	4,434	3,842	1,374	3,198	4,667	6	20	25	4	8	16
Instruments, Apparatus, etc. value	—	—	—	—	—	—	3	2	1	15	17	23
Machinery and Millwork . „	—	—	—	—	—	—	1	3	..	6	4	12
Dates . . . . Tons	—	..	..	..	1	1	—	..	..	1	2	1
Drugs and Medicines . . value	—	—	—	—	—	—	2	2	..	3	4	5
Coal tar dyes . . . lbs.	—	11	—	107	182	214	—	4	—	2	4	7
Hardware . . . value	—	—	—	—	—	—	4	7	8	3	3	4

No. 41.—Chief Exports from Burma to India as recorded in Burma Trade Returns.

Articles	Quantity (in thousands)						Value (in lakhs of rupees)					
	1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41	1909-10 to 1913-14 (Average)	1914-15 to 1918-19 (Average)	1919-20 to 1923-24 (Average)	1938-39	1939-40	1940-41
Burmese Merchandise—												
Rice in the husk . . . tons	214	168	93	93	48	23	1,54	1,12	86	47	28	14
Rice not in the husk . . ,,	383	806	709	1,475	1,862	1,250	4,18	7,96	10,93	10,50	14,84	11,76
Pulse . . . . . ,,	19	19	46	60	71	54	17	19	64	49	64	50
Gram . . . . . ,,	5	1	15	10	18	13	5	1	8	7	16	11
Fresh vegetables . . . value	—	—	—	—	—	—	1	1	19	27	28	19
Candles . . . . lbs.	4,400	5,455	6,237	3,024	2,905	2,291	12	15	18	8	8	9
Lac, stick . . cwts.	—	—	—	15	32	6	3	6	43	1	4	1
Matches . . . gross of boxes	(b)	(b)	(b)	1,375	1,633	2,064	(b)	(b)	(b)	12	14	17
Wood and timber—												
Teakwood . . C. tons	128	110	166	160	170	165	1,17	1,82	2,39	2,00	2,01	1,93
Other timber . . . value	—	—	—	—	—	—	18	14	28	34	28	26

* Included with "Oils—Mineral—Other kinds" prior to April, 1915.
† Average of four years.
(a) Average of four years, representing "Petrol" only. (b) Not available.

No. 42.—Statistics of Maritime freights *from* Calcutta, Bombay, Karachi, Madras and Rangoon to London, Marseilles, Antwerp, Hamburg and Japan.

Articles	Freights to	Rate per	1914	1936	1937	1938	1939	1940				1941	
			April	April	April	April	April	January	April	July	October	January	April
			£ s. d	£ s. d.	£ s. d	£ s. d.	£ s. d	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d	£ s. d.
Calcutta*—													
Jute	London	Ton of 50 c.ft.	1 0 0	1 17 6	2 2 6	2 7 6	2 7 6	3 11 3(c)	3 11 3(c)	3 11 3(c)	4 0 0(c)	†4 0 0(c)	†4 0 0(c)
	Marseilles	,,	1 2 6	1 17 6	2 2 6	2 7 6	2 7 6	..	..	..	..	..	..
	Antwerp	,,	1 0 0	1 13 9	1 18 9	2 2 6	2 2 6	..	..	..	..	..	..
	Hamburg	,,	1 2 6	1 13 9	1 18 9	2 2 6	2 2 6	..	..	..	..	..	..
Linseed	London	Ton	1 0 0	1 8 9	1 12 6	1 15 0	1 15 0	3 7 6(c)	3 7 6(c)	3 7 6(c)	4 0 0(c)	†4 0 0(c)	†4 0 0(c)
	Marseilles	,,	1 2 6	1 8 9	1 12 6	1 15 0	1 15 0	..	..	..	..	..	..
	Antwerp	,,	1 0 0	1 6 3	1 10 0	1 11 3	1 11 3	..	..	..	..	..	..
	Hamburg	,,	1 2 6	1 6 3	1 10 0	1 11 3	1 11 3	..	..	..	..	..	..
Bombay—													
Cotton	London	Ton of 40 c.ft.	0 12 0	1 15 0	2 0 0	1 17 6	1 10 0	2 17 6	3 2 6	3 2 6	3 2 6	5 2 0	5 2 0
	Antwerp	,,	0 11 6	1 15 0	2 0 0	1 17 6	1 10 0	..	3 2 6	..	..	..	..
	Hamburg	,,	0 16 6	1 10 0	2 2 6	2 0 0	1 12 6	..	..	..	..	..	..
	Japan	Bale	Rs. 17 (b)	Yen 4·56	Yen 4·72	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 6·16	Yen 8·2
			£ s. d.	£ s. d	£ s. d.	£ s. d.	£ s d	£ s d.	£ s d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Seeds (16 cwt. and over)	London	Ton	0 12 0	..	..	..	..	..	..	..	..	..	..
	Marseilles	,,	0 11 0	..	..	..	..	..	..	..	..	..	..
	Antwerp	,,	0 11 6	..	..	..	..	..	..	..	..	..	..
	Hamburg	,,	0 16 0	..	..	..	..	..	..	..	..	..	..
Light seeds (13 cwt. and under)	London	,,	0 10 0	1 0 0	1 7 0 to 1 10 0	1 3 0	0 17 0	2 4 6	2 9 6	2 9 6	2 9 6	4 9 0	4 9 0
	Marseilles	,,	0 10 0	1 0 0	1 7 0 to 1 10 0	1 3 0	0 17 0	..	2 9 6	..	..	..	..
Madras—													
Groundnuts	Marseilles	,,	1 2 0	1 5 0	2 5 0	1 5 0	1 5 0	2 10 0 to 2 15 0(c)	5 15 0(c)	..	..	..	..
Karachi—													
Barley (16 cwt.)	London	,,	(a) 0 12 0	1 0 0	(a) 1 12 0	(a) 1 2 0	(a) 1 0 0	..	..	..	..	..	..
Rangoon—													
Rice	United Kingdom.	,,	1 3 3	1 7 6	1 12 6	2 5 0	1 7 6	2 12 6	2 17 6	2 17 6	3 15 0	5 15 0	5 15 0
	Hamburg	,,	..	1 7 6	2 2 6	1 10 0	1 10 0	..	..	..	.	..	..

Note.—The rates quoted are those for the first week of each month.
* The rates since 1926 from Calcutta to London and Marseilles are subject to a rebate of 10 per cent not exceeding 5s. per ton.
† Plus 15 per cent surcharge.

(a) Rate for Liverpool. (b) Per ton of 40 c.ft (c) Nominal.

No. 43.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)

(In thousands of Rupees)

—	1938-39†	1939-40†	1940-41	Increase (+) or decrease (—) in 1940-41 as compared with 1939-40
Sea Customs—Imports.				
I.—Revenue Duties.				
1. Ale, beer, porter, cider and other fermented liquors	36,15	28,77	26,83	—1,94
2. Spirits and liqueurs	1,48,39	1,55,25	1,43,90	—11,35
3. Wines	10,13	7,97	7,02	—95
4. Spices	19,02	27,75	17,19	—10,56
5. Tea	8,19	4,13	1,55	—2,58
6. Tobacco	1,53,90	1,67,86	1,74,50	+6,64
7. Cotton, raw	82,23	1,05,31	1,22,23	+16,92
8. Boots and shoes	4,46	2,84	75	—2,09
9. Electric lighting bulbs	12,95	13,07	11,06	—2,01
10. Wireless reception instruments and apparatus	14,88	21,19	18,47	—2,72
11 Dyes derived from coal-tar and coal-tar derivatives	29,50	28,16	41,77	+13,61
12. Machinery	2,30,72	1,85,17	1,45,02	—40,15
13. Artificial silk yarn and thread	41,28	72,46	88,74	+16,28
14. Yarns and textile fabrics, others	91,52	67,09	62,83	—4,26
15. Cinematograph films	13,10	14,79	11,38	—3,41
16. Portland cement excluding white Portland cement	1,98	72	9	—63
17. Pneumatic rubber tyres and tubes	24,93	29,44	15,25	—14,19

No. 43.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)—*contd.*

(In thousands of Rupees)

—	1938-39†	1939-40†	1940-41	Increase (+) or decrease (—) in 1940-41 as compared with 1939-40
Sea Customs—Imports—*contd.*				
I.—Revenue Duties—contd.				
18. Toys, games and sports goods	17,48	15,80	9,27	—6,53
19. Betelnuts	77,07	73,49	73,26	—23
II.—Protective Duties.				
20. Wheat and wheat flour	12,52	10,72	3	—10,69
21. Broken rice	1	6,42	3	—6,39
22. Sugar	45,22	3,96,08	18,24	—3,77,84
23. Silver wire, thread and other manufactures	3,26	1,33	16	—1,17
24. Paper and Stationery	21,22	14,50	8,92	—5,58
25. Raw silk	29,38	30,39	30,05	—34
26. Silk yarn and thread	17,00	10,09	13,00	+2,91
27. Cotton yarn and thread	32,04	32,92	21,27	—11,65
28. Cotton fabrics of British manufacture	94,96	64,09	27,23	—36,86
29. Cotton fabrics not of British manufacture	2,64,98	2,87,82	2,40,97	—46,85
30. Silk fabrics	55,23	30,82	29,55	—1,27
31. Cotton hosiery	8,57	6,37	5,77	—60
32. Artificial silk fabrics	94,78	1,07,98	1,25,79	+17,81

33. Fabrics of artificial silk mixed with other materials	18,00	14,12	3,21	—91
34. Other textile manufactures	31,71	36,75	27,45	—9,30
35. Matches, match splints and veneers	16,46	22,73	30,69	+7,96
36. Wood pulp	6,66	5,59	3,10	—2,49
TOTAL IMPORTS	39,80,13	45,42,30	37,58,00	—7,84,30
SEA CUSTOMS—EXPORTS.				
Jute (raw and manufactured)	3,98,82	3,94,84	3,12 15	—82,69
Rice	11,24	11,77	12,49	+72
Other agricultural produce	—	—	11,60	+11,60
TOTAL EXPORTS	4,10,06	4,06,61	3,36,24	—70,37
LAND CUSTOMS.				
States in Western India	13,12	43,12	5,19	—37,93
French and Portuguese India	35,14	36,34	22,77	—13,57
Other Frontiers	34	39	13	—26
TOTAL LAND CUSTOMS	48,60	79,85	28,09	—51,76
Miscellaneous	12,69	14,43	16,75	+2,32
TOTAL GROSS CUSTOMS REVENUE	44,51,48	50,43,19	41,39,08	—9,04,11

No. 43.—Indian Sea and Land Customs and Central Excise Revenue (excluding Salt Revenue)—*concld.*

(In thousands of Rupees)

—	1938-39†	1939-40†	1940-41	Increase (+) or decrease (—) in 1940-41 as compared with 1939-40
Payments to Provincial Governments in respect of the export duties on jute	2,51,00	2,55,62	1,85,12	—70,50
Refunds and Drawbacks	1,49,95	1,99,96	2,09,64(b)	+9,68
Net Customs Revenue	40,50,53	45,87,61	37,44,32	—8,43,29
Central Excise Duties.				
Sugar—				
Sugar other than Khandsari and Palmyra	4,22,91	2,47,60	3,84,60	+1,37,00
Khandsari Sugar	64	1,46	2,70	+1,24
Palmyra Sugar	..	..	..	..
Matches	2,17,93	2,25,21	(a) 2,29,22	+4,01
Total Gross Central Excise Revenue	8,72,31	6,80,06	9,55,95	+2,75,89
Refunds	6,58	27,56	12,40	—15,16
Net Central Excise Revenue	8,65,73	6,52,50	9,43,55	+2,91,05
Tax on raw jute and jute manufactures	11,97	11,64	9,10	—2,54
Tea Cess	42,98	47,04	50,97	+3,93

†Taken from the Finance and Revenue Accounts.

(a) Includes Rs. 4,51,000 being the amount of cash remittances from the Indian States to British India.

(b) Includes Rs. 24,43,000 and Rs. 17,43,000 on account of payments made to the Cochin and Travancore Governments respectively.

No. 44.—Wholesale Prices in India.

Articles	Rate per	1913-14 April	1913-14 July	1913-14 October	1913-14 January	1938-39 April	1938-39 July	1938-39 October	1938-39 January	1939-40 April	1939-40 July	1939-40 October	1939-40 January	1940-41 April	1940-41 July	1940-41 October	1940-41 January	1941 April
		R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.	R. A. P.
Tea—Sale Average* (Calcutta)—																		
Assam	Lb.	0 7 8	0 8 10	0 7 11	0 7 10	0 10 7	0 11 6	0 9 9	0 9 11	0 9 5	0 12 9	0 12 5	0 13 3	0 10 8	0 11 0	0 14 7	0 15 3	1 1 6
Cachar	,,	0 6 4	0 6 9	0 6 9	0 7 1	0 9 9	0 9 1	0 8 8	0 8 8	0 8 10	0 9 4	0 10 3	0 11 7	0 9 3	0 8 5	..	0 14 6	0 15 6
Sylhet	,,	0 6 6	0 6 9	0 6 9	0 7 0	0 9 10	0 9 0	0 8 8	0 8 7	0 8 10	0 9 4	0 10 3	0 11 8	0 8 9	0 8 6	0 13 5	0 14 8	0 15 6
Darjeeling	,,	0 8 9	0 11 7	0 9 11	0 10 6	0 14 5	0 13 10	0 10 9	1 0 4	1 1 1	0 14 2	0 12 6	0 13 4	0 11 8	0 10 3	1 1 7	1 4 9	0 15 10
Dooars	,,	0 7 5	0 7 11	0 7 5	0 7 6	0 10 9	0 9 7	0 9 0	0 9 3	0 10 3	0 10 6	0 10 8	0 12 4	0 10 1	0 10 1	0 14 2	0 14 10	1 0 5
Terai	,,	0 7 0	0 7 2	0 7 0	0 7 2	0 10 4	0 9 1	0 8 7	0 8 11	0 9 2	0 9 8	0 10 7	0 12 9	0 9 2	0 9 7	0 13 9	0 14 9	1 0 0
Chittagong	,,	..	0 6 10	0 6 8	0 7 0	0 9 7	0 8 6	0 8 5	0 7 8	..	0 9 1	0 9 6	0 11 1	0 8 3	0 8 1	..	0 15 0	..
All other places	,,	0 5 11	0 6 9	0 6 10	0 6 8	0 9 10	0 9 0	0 8 8	0 8 4	0 8 9	0 9 1	0 10 4	..	0 8 5	0 8 10	0 13 2	..	0 14 10
General Average	,,	0 7 10	0 7 10	0 7 7	0 7 7	0 11 8	0 10 0	0 9 4	0 9 8	0 11 7	0 11 1	0 11 6	0 12 10	0 10 2	0 10 1	0 14 11	0 15 2	1 0 7
Sale average for tea sold for internal consumption.	,,	..	..	..	..	0 4 10	0 4 4	0 4 2	0 3 11	..	0 4 3	0 5 0	0 5 1	0 5 1	0 3 11	0 4 2	0 4 6	0 5 0
Jute raw—																		
Jat and Dist. 3's (European) (Calcutta).	Maund	..	..	..	..	(i) 6 2 0	(j) 6 2 0†	6 12 0‡	7 8 0‡	(m) 9 0 0	(m) 8 4 0	(m) 9 8 0	(m) 17 8 0	(m) 13 0 0	10 12 0‡	10 0 0‡	9 0 0§	8 8 0§
Firsts (Calcutta)	400 lbs.	(f) 59 0 0	(f) 69 0 0	(f) 83 0 0	(f) 85 8 0	30 4 0	32 12 0	34 12 0	35 4 0	46 12 0	41 8 0	50 8 0	93 8 0	63 12 0	54 0 0	33 0 0	37 0 0	36 8 0
Lightnings (Calcutta)	,,	(g) 54 0 0	..	(g) 76 0 0	(g) 73 0 0	28 8 0	30 12 0	32 0 0	32 0 0	43 4 0	38 8 0	48 0 0	90 8 0	56 12 0	44 0 0	27 0 0	32 0 0	30 8 0
Jute manufactures—																		
B. Twills, 2½-lbs. 44 × 2½, 6 × 8 (Calcutta).	100 bags	34 0 0	33 8 0	41 0 0	37 4 0	20 0 0	20 8 0	22 14 0	23 11 0	27 7 0	26 14 0	36 6 0	58 0 0	37 4 0	29 4 0	31 0 0	31 12 0	35 14 0
Hessian Cloth 8-oz. 40" (Calcutta)	100 yds.	12 14 0	13 0 0	16 8 0	13 14 0	6 13 0	6 11 6	7 10 6	7 15 0	9 4 6	8 15 6	13 11 0	19 10 0	12 7 0	10 13 0	11 6 0	12 5 6	16 11 0
Hessian Cloth 10½-oz. 40" (Calcutta).	,,	17 0 0	17 0 0	21 10 0	17 0 0	8 11 0	8 11 0	9 5 0	9 10 0	11 7 6	11 3 0	17 10 0	24 1 0	15 2 0	14 9 0	15 6 0	16 6 0	23 6 0
Cotton, raw, M. G. F. G., Broach (Bombay).	Candy (784 lbs.)	317 0 0	287 0 0	..	292 0 0	163 0 0	148 0 0	156 0 0	161 0 0	153 0 0	160 0 0	186 0 0	331 0 0	231 0 0	155 0 0	197 0 0	183 0 0	227 0 0
Cotton yarn (Indian)—																		
Twist, No. 10½s (Bombay)	lb.	(a) 0 7 1¼	(a) 0 6 10½	(a) 0 7 3	(a) 0 6 9	0 5 8	0 4 10	0 4 10	0 4 8	0 4 5	0 4 7	0 5 6	0 7 8	0 6 8	0 6 2	0 5 11	0 6 3	0 6 10
,, No. 20s (Bombay)	,,	0 8 3	0 8 1½	0 8 6	0 7 10½	0 7 4	0 6 10	0 6 8	0 6 5	0 6 3	0 6 8	0 7 2	0 9 10	0 8 11	0 8 6	0 8 1	0 8 5	0 9 11
Cotton yarn (Imported) Twist No. 40s (Bombay).	,,	0 12 4	0 12 3	0 12 6	0 12 4	(n) 0 13 4½	(n) 0 11 9	(n) 0 11 0	(n) 0 9 9	(n) 0 9 10	(n) 0 9 6	(n) 0 11 3	(n) 0 13 9	(n) 0 12 9	(n) 0 12 0	(n) 0 12 6	(n) 0 14 0	(n) 1 5 0
Cotton piecegoods (Indian)—																		
Longcloths (standard quality) 37 × 37½ yds. 9 lbs. (Bombay).	,,	(b) 0 10 9	(b) 0 10 9	(b) 0 10 3	(b) 0 10 6	0 9 8	0 9 6	0 9 6	0 9 1	0 8 11	0 8 9	0 9 5	0 12 8	0 11 0	0 10 4	0 9 5	0 10 9	0 12 8
Domestics 35" × 40 yds. 12 lbs. (Bombay).	,,	(c) 0 10 6	(c) 0 10 3	(c) 0 10 0	(c) 0 9 9	0 7 11	0 7 10	0 7 10	0 7 8	0 7 2	0 7 0	0 7 3	0 10 9	..	0 8 11	0 7 11	0 8 5	0 11 7
Chadars 50" × 5 yds. 2½ lbs. (Bombay).	,,	(d) 0 10 3	(d) 0 10 3	(d) 0 10 0	(d) 0 9 9	0 9 7	0 9 9	0 9 9	0 9 8	0 9 6	0 9 0	0 9 2	0 12 4	0 10 11	0 9 11	0 9 6	0 10 6	0 12 6
Cotton piecegoods (Imported)—																		
U. K. White shirtings ‡ 1,500, 32"/33" × 42 yds. (Bombay)	Piece	(p) 10 6 0	(p) 10 5 0	(p) 10 8 0	(p) 10 8 6	12 6 0	..	..	15 0 0	13 0 0	13 0 0	14 4 0	15 14 0	15 12 0	16 11 0	16 12 0	..	..
Japanese Grey shirtings "Bow & Arrow" 44" × 46 yds (Bombay).	,,	(q) 5 12 0	(q) 5 12 0	(q) 5 13 6	(q) 5 11 0	9 13 0	9 4 0	9 2 0	8 9 0	8 6 6	8 2 0	8 6 0	9 12 0	8 12 0	8 6 0	8 15 0	8 15 0	10 13 0
U. K. White mulls, 49" × 20 yds. No. 66666 (Bombay).	,,	(r) 5 0 6	(r) 5 1 0	(r) 5 1 0	(r) 5 1 0	5 8 0	5 6 0	5 6 0	5 6 0	5 4 6	4 14 0	5 4 0	6 4 0	6 0 0	..	..	..	..
Rice—																		
Seeta, No. 1 (Calcutta)	B. Md.	6 6 0	6 14 0	7 0 0	6 8 0	3 5 0	3 14 0	4 5 0	(f) 3 10 0	3 14 0	4 14 0	5 8 0	4 12 0	5 5 0	5 8 0	5 8 0	6 0 0	6 4 0
Ballam, No. 1 (Calcutta)	,,	5 7 0	6 4 0	5 14 0	5 8 0	(h) 3 11 0	(h) 4 0 0	(h) 4 4 0	(j) 3 12 0	(j) 4 2 0	(h) 4 12 0	5 2 0	4 10 0	4 13 0	(h) 5 0 0	(h) 5 0 0	(h) 5 4 0	(h) 5 4 0

NOTE.—The figures represent the maximum prices in the first week of each month, but where quotations are not available for that week, for the nearest period. The blanks indicate that no quotations were available.

* April prices relate to the first sale in June each year except for 1939 in which year the prices relate to first sale in May. From 1935-36 the prices relate to teas sold with export right.

(a) Yarn, 10s.
(b) Longcloth 36" × 37½ yds., 9 lbs.
(c) T-cloths 28" × 24 yds., 5 lbs.
(d) Chadars, 54" × 5 yds., 2½ lbs.

(f) Red Group.

(g) Red Group.

(h) Shipment quality.
(i) Jat and Dist. 4's. (European).
(j) New Crop.
(m) Jat and Dist. Middles (European).
(n) 2-42s Japanese Grey Yarn, "Five Stars".
(p) Leipzman's shirtings 1,500 (Bombay).
(q) Grey shirtings Fari 2,000 (Bombay).
(r) White mulls, 6,000 (Bombay).

† Jat and Dist. R's.
‡ ,, ,, ,, Tops.
§ European Middles".

No. 44.—Wholesale Prices in India—*continued.*

Articles	Rate per	1913-14 April	1913-14 July	1913-14 October	1913-14 January	1938-39 April	1938-39 July	1938-39 October	1938-39 January	1939-40 April	1939-40 July	1939-40 October	1939-40 January	1940-41 April	1940-41 July	1940-41 October	1940-41 January	1941 April
		R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.	R A. P.
Wheat—																		
Delhi No. 1, white Pessy (Bombay).	Cwt.	(d)5 7 0	(d)5 4 0	(d)5 9 6	(d)5 6 0	4 7 0	4 5 0	4 1 0	4 10 0	4 4 0	4 3 0	4 12 0	5 14 0	5 3 0	5 0 0	5 8 0	5 11 0	5 13 0
Punjab white (Karachi)	Candy (656 lbs.)	31 8 0	30 4 0	29 6 0	29 12 0	23 4 0	22 12 6	20 6 0	24 2 0	22 2 6	22 2 6	25 7 0	33 1 0	27 0 6	26 3 0	29 8 6	32 15 0	34 6 0
White (Lyallpur)	B. Md.	3 7 0	3 3 0	3 0 0	3 6 0	2 3 9	2 2 6	2 0 6	2 8 6	2 4 0	2 3 3	2 9 6	3 10 0	3 0 9	2 9 0	3 2 3	3 5 9	3 7 3
Linseed—																		
Bold (Bombay)	Cwt.	7 13 6	8 1 0	8 2 0	8 2 0	7 7 9	7 4 6	6 10 0	7 4 0	6 14 3	7 1 6	7 10 0	11 13 0	9 8 0	6 11 6	7 6 0	6 14 0	7 1 0
Small grains 5% refraction (Calcutta).	Indian Md.	(b) 5 3 0	(b) 5 9 0	(b) 5 11 0	(b) 5 14 0	5 5 0	5 0 6	4 12 6	5 0 0	4 14 0	4 15 0	5 9 0	8 2 0	6 8 0	5 0 0	5 9 0	5 3 6	5 2 6
Groundnuts—																		
Machine decorticated (Madras)	Candy (500 lbs.)	(e) 43 0 0	(e) 46 0 0	(e) 45 0 0	(e) 42 0 0	23 5 0	26 6 9	23 5 0	24 8 0	24 4 0	28 12 0	30 2 0	30 2 0	31 12 0	23 5 0	24 4 0	19 12 4	22 15 3
(Bombay)	Cwt.	10 6 0	..	10 1 6	9 15 6	5 6 0	5 15 0	5 3 0	5 12 0	5 5 0	6 2 6	6 9 0	7 15 0	7 7 0	5 12 3	5 12 0	5 2 0	5 13 6
Rapeseed—																		
Toria 9% (Karachi)	Candy (656 lbs.)	..	..	.	.	33 12 0	34 6 0	33 0 0	38 8 0	33 14 0	37 3 0	41 14 0	49 4 0	39 12 0	32 8 0	36 10 0	41 14 0	35 0 0
Brown, Cawnpore (Bombay)	Cwt.	8 12 0	8 3 6	..	..	(e) 6 10 0	(c) 7 0 0	(c) 6 14 0	(c) 6 12 0	(e) 6 12 0	(e) 7 2 0	(e) 7 14 0	(e) 10 0 0	(c) 7 8 0	(e) 7 0 0	(e) 7 8 0	(e) 6 12 0	(e) 6 8 0
Gingelly—White, Bold (Bombay)	,,	12 6 6	..	12 6 0	12 0 0	7 10 6	8 1 0	7 12 0	7 10 6	7 7 0	7 13 0	8 6 0	9 2 0	9 10 0	9 8 0	8 8 0	7 9 0	8 0 0
Castor seed—Ordinary F. A. (Bombay).	,,	7 2 0	7 4 6	7 3 0	7 2 0	(f) 6 7 0	(f) 6 1 0	(f) 5 9 0	(f) 5 14 0	(f) 5 7 0	(f) 5 14 0	(f) 7 9 0	(f) 11 1 0	(f) 9 5 0	(f) 7 3 0	(f) 7 5 0	(f) 6 2 0	(f) 6 6 0
Cotton seed—(Bombay)	,,	3 11 0	3 10 0	3 10 0	3 8 0	2 9 0	2 13 0	2 12 0	3 2 0	3 6 6	3 11 0	4 8 0	3 13 0	3 8 0	3 10 0	4 1 0	2 9 6	2 14 0
Castor oil—																		
No. 1 Fine pale (Calcutta)	B. Md.	(a) 19 8 6	(a) 19 8 0	(a) 20 8 6	(a) 20 8 6	15 8 0	15 4 0	14 8 0	14 4 0	14 6 0	14 0 0	17 12 0	19 14 0	20 6 0	18 14 0	17 14 0	17 10 0	17 6 0
(Madras)	Candy (500 lbs.)	80 0 0	81 0 0	79 0 0	80 0 0	63 2 0	63 2 0	61 2 0	62 2 0	52 2 0	53 10 0	75 0 0	90 0 0	84 0 0	70 0 0	83 0 0	70 0 0	65 0 0
Coconut oil (Cochin)	Candy	..	..	..	..	61 0 0	63 4 0	65 0 0	65 0 0	58 8 0	66 0 0	77 0 0	103 8 0	73 0 0	69 8 0	80 8 0	73 8 0	73 15 0
Groundnut Cake (Calcutta)	B. Md.	..	..	..	..	1 14 0	2 5 0	2 0 0	2 4 0	2 0 0	2 4 0	2 5 0	2 2 0	1 15 0	1 5 0	1 8 0	1 1 0	1 9 0
Bonemeal—																		
Steamed (Calcutta)	20 cwts.	80 0 0	80 0 0	81 0 0	85 0 0	100 0 0	100 0 0	95 0 0	90 0 0	90 0 0	90 0 0	95 0 0	100 0 0	100 0 0	100 0 0	100 0 0	100 0 0	100 0 0
,, Unsteamed (Calcutta)	,,	71 8 0	72 0 0	75 0 0	78 0 0	65 0 0	55 0 0	52 0 0	52 0 0	53 0 0	58 0 0	60 0 0	80 0 0	65 0 0	80 0 0	80 0 0	81 0 0	85 0 0
Indigo—Bengal and Tirhoot, Mldg. to good, 60 to 66% (Calcutta) nominal.	Fy.Md.(74-67 lbs.)	..	..	..	..	132 8 0	132 8 0	132 8 0	115 0 0	115 0 0	115 0 0	115 0 0	197 8 0	197 8 0	265 0 0	265 0 0	265 0 0	265 0 0
Wool—Kandhar (Karachi)	Md. (82 lbs.)	26 0 0	27 0 0	27 8 0	29 0 0	(m) 36 0 0	(m) 26 0 0	(m) 32 0 0	(m) 32 0 0	(m) 32 0 0	(m) 32 0 0	(m) 34 0 0	(m) 44 0 0	(c) 45 0 0	(m) 40 0 0	(m) 50 0 0	(m) 50 0 0	(m) 50 0 0
Shellac, T. N. (Calcutta)	B. Md.	42 8 0	46 8 0	50 0 0	43 8 0	15 8 0	13 12 0	14 8 0	16 8 0	13 0 0	13 8 0	21 0 0	36 0 0	28 0 0	18 0 0	21 0 0	29 0 0	30 8 0
Coffee—(Bangalore)—																		
Nilgiri Peaberry	Cwt.	..	..	..	.	60 0 0	60 0 0	64 0 0	66 0 0	56 0 0	60 0 0	60 0 0	64 0 0	68 0 0	61 0 0	62 0 0	66 0 0	64 0 0
Native Peaberry	Md. of 28 lbs.					9 8 0	10 8 0	11 0 0	10 0 0	8 12 0	9 4 0	9 4 0	10 0 0	11 0 0	10 8 0	10 8 0	11 0 0	12 8 0
Nilgiri Parchment	Cwt.					42 0 0	48 0 0	48 0 0	49 0 0	48 0 0	50 0 0	48 0 0	48 0 0	(h) 52 0 0	(h) 54 0 0	(h) 54 0 0	(h) 55 0 0	(h) 48 0 0
Native flat	Md. of 28 lbs.					7 8 0	8 8 0	9 0 0	9 0 0	7 0 0	7 8 0	7 8 0	9 0 0	9 8 0	8 8 0	8 8 0	8 12 0	10 0 0
Hides, raw—																		
Agras (Calcutta)	20 lbs.	22 0 0	18 12 0	..	22 8 0	9 4 0	8 8 0	8 8 0	8 8 0	8 8 0	8 8 0	9 0 0	11 0 0	11 0 0	9 8 0	9 8 0	10 0 0	10 0 0
Durbhangas (Calcutta)	,,	7 8 0	14 0 0	16 4 0	18 12 0	6 8 0	5 8 0	5 8 0	5 8 0	5 8 0	6 0 0	6 8 0	9 0 0	9 0 0	7 8 0	7 8 0	8 0 0	8 0
Patnas (Calcutta)	,,	13 0 0	11 0 0	13 0 0	13 0 0	5 8 0	4 12 0	4 12 0	4 12 0	4 12 0	5 0 0	6 0 0	8 0 0	8 0 0	6 8 0	6 8 0	7 0 0	7 0 0
Salted (Calcutta)	,,	14 0 0	11 0 0	13 0 0	12 8 0	4 8 0	4 0 0	4 8 0	4 8 0	4 12 0	4 12 0	6 0 0	7 8 0	7 8 0	4 8 0	5 0 0	7 0 0	7 0 0
Hides, Buffalo, Arsenicated (Calcutta)	,,	15 8 0	14 0 0	14 0 0	15 0 0	6 8 0	5 8 0	5 4 0	5 4 0	5 4 0	5 4 0	5 12 0	7 0 0	7 0 0	6 0 0	6 0 0	6 4 0	6 4 0
Skins, Goat (Calcutta)	100 pieces	150 0 0	125 0 0	130 0 0	150 0 0	115 0 0	100 0 0	100 0 0	105 0 0	115 0 0	110 0 0	135 0 0	140 0 0	135 0 0	100 0 0	95 0 0	110 0 0	110 0 0
Sugar—																		
Marhowrah, Crystal No. 1, ex-factory (Cawnpore).	Maund	(g) 7 7 6	(g) 7 7 6	(g) 6 15 0	(g) 6 12 3	7 9 3	7 13 0	9 12 0	10 0 0	10 14 0	10 12 0	10 14 0	12 8 0	12 0 0	12 6 0	9 5 0	9 6 0	9 3 0
Java, I. M. O. (Bombay)	Cwt.	10 10 0	10 4 0	10 5 0	9 11 0	15 1 0	15 4 0	15 8 0	(c) 16 12 0	15 15 0	15 0 0	16 0 0	19 7 0	18 8 0	18 12 0	..	..	..
Kerosene oil—																		
White Rose (Calcutta)	Case	(k) 5 14 0	(k)5 14 0	(k)5 14 0	(k) 7 14 0	8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 10 6	(f) 8 3 6	(f) 9 0 6	(f) 9 0 6	(f) 9 11 6	(f) 9 13 6	(f) 9 13 6	(f) 9 13 6	(f) 9 13 0
Rising Sun (Calcutta)	2 tins	4 3 0	4 4 0	4 4 0	4 5 0	6 2 6	(f) 6 2 6	(f) 6 0 6	(f) 6 0 6	(f) 6 0 6	(f) 5 14 6	(f) 5 14 6	(f) 6 2 6	(f) 6 13 6	(f) 7 3 6	(f) 7 3 6	(f) 7 3 6	(f) 7 5 0
Victoria (Calcutta)	,,	3 8 0	3 8 0	3 8 0	3 8 0	(f) 5 10 6	(f) 5 10 6	(f) 5 8 6	(f) 5 8 6	(f) 5 8 6	(f) 5 6 6	(f) 5 10 6	(f) 5 14 6	(f) 6 1 6	(f) 6 0 6	(f) 6 6 6	(f) 6 6 6	(f) 6 8 0
Salt—																		
Aden Fine, ex-ship (Calcutta)†	100 Mds.	(j) 56 0 0	(j) 57 0 0	(j) 51 0 0	(j) 56 0 0	40 0 0	51 0 0	37 0 0	34 0 0	..	37 0 0	107 0 0	98 0 0	72 0 0	78 0 0	98 0 0	90 0 0	127 0 0
Black Bombay (Bombay)‡	,,	..	..	..	..	205 4 0	218 12 0	212 8 0	212 8 0	206 4 0	206 4 0	218 12 0	225 0 0	237 8 0	231 4 0	225 0 0	300 0 0	212 8 0

† The prices exclude duty and port and handling charges.
‡ ,, ,, include duty and other charges.

(a) Relates to Fair Firsts.
(b) Small to medium, per B. Md.
(c) Nominal.
(d) Delhi, white.
(e) Ordinary per candy of 529 lbs.
(f) Ex-Narkuldanga.
(g) Java, T. M. O. (Calcutta).
(h) Nilgiri Flat.
(j) Liverpool.
(k) Snowflake.
(l) Small Hyderabad quality.
(m) Cleaned.

No. 45.—Prices of cotton, raw and Index Numbers of cotton, raw and cloth in Liverpool.

(Compiled from F. W. Tattersall's Cotton Trade Review.)

		Prices of cotton, raw American Middling (Pence per lb.)	Index Numbers Basis—100 as Average price, 1930.	
			Cotton, raw American	Cloth
1940				
April	5	7·84	106	158
	12	8·12	109	159
	19	8·09	109	165
	26	8·07	109	165
May	3	8·18	110	165
	10	8·14	110	165
	17	7·42	100	163
	24	7·42	100	160
	31	7·42	100	160
June	7	7·42	100	160
	14	7·25	98	157
	21	7·82	105	157
	28	7·60	102	156
July	5	7·82	105	154
	12	7·98	108	156
	19	7·83	106	156
	26	7·95	107	156
August	2	7·82	105	156
	9	7·84	106	156
	16	8·19	110	156
	23	8·18	110	156
	30	8 23	111	156
September	6	8·33	112	156
	13	8·31	112	156
	20	8·40	113	156
	27	8·82	119	156
October	4	8·21	111	155
	11	7·99	106	155
	18	8·13	110	152
	25	8·22	111	152
November	1	8·17	110	152
	8	8·23	111	152
	15	8·07	109	150
	22	8·38	113	151
	29	8·41	113	151
December	6	8·54	115	153
	13	8·37	113	153
	20	8·43	114	153
	27	8·53	115	153
1941				
January	3	8·77	118	155
	10	8·74	118	155
	17	8·75	118	155
	24	8·69	117	155
	31	8·65	117	155
February	7	8·56	115	155
	14	8 58	116	166
	21	8·56	115	166
	28	8 64	116	167
March	7	8·66	117	167
	14	8·90	120	167
	21	8·95	121	168
	28	9·00	121	165

No. 46.—Declared value per unit of Principal Imported Articles

Articles	Per	1909-10 to 1913-14 (average)	1938-39	1939-40	1940-41
		R a. p.	R a. p.	R a. p.	R a. p.
1. Sugar, 16 D. S. and above	Cwt.	9 14 4	6 4 3	6 7 4	9 1 4
2. Other articles of food and drink—					
(a) Liquors—					
Ale, beer and porter	Gal.	1 5 7	2 0 5	2 2 8	2 8 6
Spirit—Brandy	,,	7 15 9	15 2 4	17 3 6	14 8 4
,, Whisky	,,	6 8 2	17 5 3	17 9 7	17 11 9
,, present in drugs	,,	17 9 3	26 13 1	29 3 0	26 2 11
(b) Provisions—					
Biscuits and cakes	lb.	0 7 3	0 12 1	0 13 0	0 12 11
Farinaceous and patent foods	Cwt.	14 14 2	17 14 10	23 2 9	22 13 3
Milk condensed	lb.	0 4 6	0 4 7	0 4 10	0 5 10
Canned provisions	Cwt.	46 10 3	39 4 6	42 3 10	46 9 5
(c) Spices—					
Betelnuts	lb.	0 1 4	0 1 6	0 1 5	0 1 5
Cloves	,,	0 5 2	0 7 6	0 7 4	0 7 3
(d) Other articles—					
Salt	Ton	14 8 5	12 1 9	19 11 8	23 0 6
3. Oils—					
Kerosene	Gal.	0 5 6	0 5 8	0 6 3	0 7 5
4. Textile, Cotton—					
Cotton yarn	lb.	0 14 5	0 12 10	0 13 8	1 2 0
,, goods, grey	Yd.	0 2 8	0 1 11	0 1 11	0 2 2
,, ,, white	,,	0 2 9	0 2 11	0 3 5	0 3 5
,, ,, coloured	,,	0 3 3	0 3 0	0 2 1	0 3 4
,, handkerchiefs and shawls	No.	0 3 6	0 1 4	0 1 11	0 2 0
5. Other textiles—					
(a) Silk, raw	lb.	4 9 1	2 12 3	3 1 8	4 7 8
,, goods, mixed	Yd.	0 12 9	0 8 5	0 7 9	0 9 0
,, piecegoods	,,	0 11 2	0 6 5	0 9 6	0 11 2
(b) Wool—					
,, piecegoods	,,	0 14 9	1 12 10	1 8 0	2 5 10
,, shawls	No.	2 7 9	2 14 3	2 8 2	4 6 5
6. Apparel—					
Boots and shoes	Pair	2 7 2	1 13 7	1 13 7	2 11 11
7. Metals and manufactures—					
Copper, wrought	Cwt.	51 12 1	39 1 3	46 7 2	52 7 10
Iron, bars and channel	Ton	118 4 2	317 12 2	294 11 7	357 8 11

No. 46.—Declared value per unit of Principal Imported articles—*continued*

Articles	Per	1909-10 to 1913-14 (average)	1938-39	1939-40	1940-41
		R a. p.	R a. p.	R a. p.	R a. p.
7. Metals and manufactures—*contd.*					
Iron or Steel—					
Beams, etc.	Ton	115 5 6	163 8 9	160 14 11	202 14 2
Nails, etc.	,,	205 1 6	307 8 7	426 4 5	549 7 3
Pipes, etc.	,,	150 10 9	351 13 1	342 11 5	515 2 6
Rails chairs, etc.	Cwt.	3 11 6	6 6 9	5 12 1	11 5 5
Sheets, galvanised	Ton	192 0 1	229 10 10	243 6 3	318 1 7
,, tinned	,,	236 15 1	348 12 0	382 6 6	502 2 6
,, not galvanised	,,	139 6 0	198 9 11	202 9 6	256 5 8
Tubes	,,	231 8 4	302 12 0	310 10 1	436 8 11
Steel, bars	,,	99 7 7	256 1 8	198 11 2	330 10 8
Tin, block, etc.	Cwt.	138 4 5	129 8 8	161 11 4	153 2 9
8. Animals and other raw and manufactured articles—					
(a) Animals, horses	No.	455 6 3	878 0 4	674 0 7	675 6 10
(b) Fruits, coconuts	,,	0 0 10	0 0 5	0 0 4	0 0 5
(c) Dyes obtained from Coal tar— Alizarine	lb.	0 7 9	0 10 5	0 11 9	1 8 4
Others	,,	0 12 4	2 4 7	2 5 4	3 9 7
(d) Chemicals— Sodium carbonate	Cwt.	4 1 6	4 10 7	4 13 2	5 6 3
(e) Drugs, medicines— Quinine salts	lb.	9 11 11	25 13 8	30 0 9	32 2 0
(f) Tobacco manufactures— Cigarettes	,,	3 0 9	3 4 11	3 5 8	3 4 7
(g) Gums and resins	Cwt.	15 13 9	11 15 1	16 3 2	15 13 1
(h) Flax— Canvas	Yd.	0 8 9	1 0 1	1 1 5	1 9 7
Piecegoods	,,	0 5 8	0 13 11	0 13 7	1 6 0
(i) Coal	Ton	17 5 11	17 2 4	12 6 4	22 15 3
(j) Other raw Materials— Tallow and stearine	Cwt.	28 5 1	14 3 4	15 8 10	18 11 2
(k) Other manufactured articles—					
(i) Arms, etc.—					
Gunpowder	lb.	0 11 7	0 10 4	0 10 7	0 14 10
(ii) Glass and glassware— Beads	Cwt.	85 9 1	68 14 7	68 2 5	85 4 10
Sheet and plate	Sq. ft.	—	0 1 5	0 1 6	0 2 7
(iii) Paints and colours	Cwt.	16 1 2	26 1 4	27 5 3	36 12 9
(iv) Printing paper	,,	12 8 3	10 0 11	11 5 3	16 10 9
(v) Soap	,,	19 11 7	65 6 4	71 3 2	74 1 9
(vi) Umbrellas	No.	1 1 1	0 8 4	0 9 11	0 14 9
(vii) Buildings materials— Firebricks	,,	0 1 6	0 6 2	0 5 7	0 5 9
Cement	Cwt.	2 0 5	2 5 11	3 3 9	5 7 8
Pitch and tar	,,	4 1 4	3 10 4	4 11 8	6 2 7

No. 47.—Declared value per unit of Principal Exported articles

Articles	Per	1909-10 to 1913-14 (average)	1939-40	1939-40	1940-41
		R a. p.	R a. p.	R a. p.	R a. p.
1. Food grains—cereals—					
Rice (not in the husk)	Cwt.	5 5 8	5 9 11	7 14 1	6 10 8
Wheat	"	5 5 5	4 7 2	6 9 2	5 8 5
Wheat flour	"	7 14 8	6 6 4	6 12 6	6 14 9
Barley	"	4 4 2	4 2 2	7 9 1	7 5 6
2. Food grains—					
Pulse	Cwt.	4 1 4	5 10 10	6 8 11	6 0 10
3. Tea	lb.	0 7 1	0 10 8	0 11 9	0 12 9
Coffee	Cwt.	54 0 4	40 10 3	43 8 8	46 2 4
4. Other articles of food and drink—					
(a) Spices—					
Pepper	lb.	0 4 8	0 2 10	0 3 0	0 2 7
Chillies	"	0 2 4	0 2 4	0 2 4	0 2 1
(b) Other articles—					
Ghi	"	0 9 0	0 8 11	0 8 6	0 10 2
5. Seeds, oils and oilcakes—					
Seeds—					
Castor	Cwt.	7 5 2	6 9 7	8 12 10	8 13 9
Copra	"	17 15 7	19 2 7	17 13 6	16 5 1
Cotton	"	3 12 0	3 14 1	9 9 7	5 5 3
Groundnut	"	8 5 1	5 15 1	6 8 10	6 0 0
Linseed	"	10 8 8	6 14 8	7 3 11	7 12 1
Rapeseed	"	7 9 8	6 11 10	7 8 10	6 11 5
Sesamum	"	10 6 5	9 10 10	10 11 1	8 14 8
Oils—					
Castor	Gal.	1 5 10	1 8 9	1 14 2	2 2 1
Coconut	"	1 12 8	1 9 2	1 12 7	1 11 1
Oilcakes	Cwt.	3 12 8	3 6 0	3 8 3	2 6 1
6. Textiles, Jute—					
Jute, raw	Ton	290 7 4	194 0 6	347 14 3	322 3 11
Gunny bags	No.	0 4 5	0 3 4	0 3 4	0 4 10
" cloth	Yd.	0 1 9	0 1 5	0 2 4	0 2 6
Textiles, Cotton—					
Cotton, raw	Cwt.	33 11 3	24 11 6	28 9 7	30 7 0
" yarn	lb.	0 7 11	0 7 11	0 7 9	0 8 5
" piecegoods, grey	Yd.	0 2 5	0 3 1	0 3 2	0 3 8
" " coloured	"	0 5 0	0 5 4	0 5 3	0 4 10

No. 47.—Declared value per unit of Principal Exported articles—*continued*

Articles	Per	1909-10 to 1913-14 (average)	1938-39	1939-40	1940-41
		R a. p.	R a. p.	R a. p.	R a. p.
8. Other textiles—					
Wool, raw	lb.	0 7 10	0 8 7	0 9 9	0 8 6
9. Hides and skins—					
Hides, raw	Cwt.	66 4 1	33 3 1	33 5 11	42 1 4
„ tanned	„	85 10 10	77 1 11	83 10 0	110 6 2
Skins, raw	„	68 0 6	69 15 6	82 7 6	63 11 11
„ tanned	„	196 12 3	227 11 10	218 6 10	223 0 5
10. Other raw and manufactured articles—					
(a) Dyeing substances—					
Indigo	Cwt.	194 6 6	120 5 5	110 9 5	255 11 9
Myrobalans	„	4 4 5	3 4 5	3 8 3	3 6 6
(b) Chemicals—					
Saltpetre	„	11 7 6	8 1 0	9 3 10	12 5 9
(c) Drugs, medicines, etc.—					
Tobacco—					
Unmanufactured	lb.	0 1 10	0 5 4	0 5 0	0 4 0
Cigars	„	0 13 7	1 15 7	1 7 9	1 0 9
Opium	Cwt.	1,945 10 10	..	..	..
(d) Hemp, raw	„	13 12 0	8 13 1	11 9 6	12 13 3
(e) Lac, shell	„	54 1 9	22 4 3	28 7 0	40 0 2
(f) Coal	Ton	9 12 7	9 15 11	9 8 2	9 10 3
(g) Manures—Bones	„	69 0 9	65 15 0	58 14 4	68 4 4
(h) Other raw materials—					
Rubber, raw	Cwt.	36 15 5	46 8 11	48 11 11	82 7 9
Coir, unmanufactured	„	10 11 6	7 14 1	6 7 2	6 7 6
Mica	„	72 15 0	70 3 2	80 12 9	106 13 9
(i) Other manufactured articles—					
Candles	lb.	0 4 6	0 12 3	0 9 9	0 7 7
Paraffin wax	Cwt.	22 7 1	21 3 3	21 13 0	23 0 3
11. Building materials—					
Teakwood	C. Ton	155 12 1	322 14 3	179 11 7	160 11 16

No. 48.—Statement showing the exports from British India of some important articles, subject to export restrictions during the years ending March 1939, 1940 and 1941.

Articles	Unit	Quantity			Value Rs. (000).		
		1938-39	1939-40	1940-41	1938-39	1939-40	1940-41
1. Cordage and rope of vegetable fibre (*excluding* jute and cotton).	Cwts (000)	48	65	68	8,12	10,61	11,73
2. Wool, raw	lbs. (000)	55,416	52,815	30,774	2,98,68	3,22,49	1,64,19
3. Mica—all sorts	Cwts. (000)	162	219	139	1,14,12	1,76,86	1,47,51
4. Myrobalans and extracts thereof	" "	1,265	1,200	925	41,04	49,52	37,68
5. Hides and skins, raw	Tons	35,345	31,847	26,901	81,12	4,08,47	3,07,81
6. Hides and skins, tanned or dressed	"	20,191	31,915	21,776	4,75,55	6,98,16	5,39,46
7. Vegetable oil, non-essential	Gals. (000)	6,157	7,221	12,864	82,17	1,11,83	2,14,81
8. Oilcakes	Tons (000)	447	288	177	3,01,20	2,02,92	84,16
9. Paraffin wax	Tons	8,547	7,559	7,600	36,25	32,98	35,56
10. Rubber, raw	lbs (000)	17,218	21,544	19,609	71,58	93,76	91,89
11. Rubber manufactures	—	—	—	—	3,70	9,53	40,89
12. Seeds	Tons (000)	1,199	861	704	15,09,22	11,89,53	10,04,92
13. Cotton, raw and waste	" "	510	557	411	24,66,65	31,04,15	24,45,56
14. Cotton twist and yarn	lbs. (million)	38	37	78	1,87,81	1,79,40	4,09,13

15. Cotton handkerchiefs and shawls in the piece	No. (000)	680	872	1,321	18,19	28,38	35,63
16. Hosiery	—	—	—	—	1,10	5,24	5,48
17. Cotton piecegoods	Yds. (million).	177	221	390	4,79,38	6,11,43	10,64,32
17. (a). Canvas	Yds. (000)	156	718	7,391	77	4,38	65,98
18. Cotton manufactures, other sorts	lbs. (000)	5,053	5,426	22,762	24,55	28,76	68,73
19. Hemp, raw	Cwts. (000)	816	744	595	71,98	86,20	76,28
20. Jute, raw	Ton (000)	690	570	243	13,39,67	19,83,33	7,84,60
21. Jute, twist and yarn	lbs. (000)	4,373	4,410	3,252	5,45	7,31	7,23
22. Gunny bags	No. (million)	598	1,211	678	12,45,74	25,45,23	20,30,91
23. Gunny cloth	Yds. (million)	1,550	1 561	1,546	13,34,26	22,41,26	24,16,14
24. Jute—rope and twine and manufactures—other sorts.	Cwts. (000)	302	493	263	40,67	78,34	84,21
25. Woollen manufactures—carpets and rugs	lbs. (000)	8,945	8,273	6,141	81,56	73,73	66,95
26. Lac	Cwts. (000)	644	760	598	1,26,65	1,90,87	2,25,43
27. Coir—yarn, mats and mattings, and coir manufactures—other sorts.	,,	692	861	503	95,71	1,27,57	76,58
TOTAL	—	—	—	—	1,62,79,16	2,03,92,12	1,86,86,17

No. 49.—STATEMENT SHOWING THE VALUES OF SOME IMPORTANT RESTRICTED COMMODITIES IMPORTED INTO BRITISH INDIA DURING 1939-40 AND 1940-41.

Serial No.	Name of article	Import Tariff Item No.	VALUE	
			1939-40	1940-41
			Rs.	Rs.
	PART I.			
1	Ivory, unmanufactured	5(2)	6,04,056	6,67,466
2	Fruits, all sorts, fresh, dried, salted or preserved not otherwise specified.	8	77,47,564	69,16,714
2a	Cloves, all sorts, whether ground or un-ground.	9(3)	*47,17,450*	*25,00,185*
2b	Chromosel S. F., chromoline and other chrome compounds used for dyeing and tanning (*excluding* Barium, lead and zinc chromates).	13	Not available separately.	Not available separately.
3	Sugar *excluding* confectionery . . .	17	2,99,73,900	18,96,367
4	Confectionery	17(2)	14,50,485	10,42,054
5	Sugar-candy	17(3)	2,72,122	1,00,920
6	Jams, jellies, pickles, chutnies, sauces and condiments, canned or bottled.	20	*14,84,293*	*11,41,881*
7	Fruits, canned or bottled	20(2)	*10,39,783*	*8,04,228*
8	Ale, beer, porter, cider and other fermented liquors.	22(2)	65,36,462	71,61,685
8a	Proprietory and patent medicines containing spirit.	22(5)b	Not available separately.	Not available separately.
9	Tobacco, manufactured, not otherwise specified.	24	4,60,038	4,92,787
10	Cigars	24(1)	56,659	36,465
11	Cigarettes	24(2)	42,69,687	44,62,353
12	Marble and stone, not otherwise specified .	25(7)	9,06,938	2,18,142
13	Proprietory and patent medicines . . .	28	*88,95,981*	*65,10,626*
14	Toilet requisites, not otherwise specified . .	28(14)	63,77,242	57,23,522
15	Cinematograph films, exposed . . .	29(1)	17,86,164	12,70,952
15a	Aluminium powder and paint . . .	30	Not available separately.	Not available separately.
15b	Dyes derived from coal-tar and coal-tar derivatives used in any dyeing process.	30(1)	2,84,68,148	4,55,84,201
16	Lead pencils	30(7)	5,16,956	5,64,745
17	Soap, not otherwise specified	32	1,33,952	1,11,536
18	Soap, toilet	32(1)	20,47,366	16,72,924
19	Soap, household and laundry	32(2)	93,522	35,555
20	Skins (*other than* fur skins) tanned or dressed, and unwrought leather	36(2)	10,40,098	6,75,283
21	Fur skins, dressed	38	31,198	9,591
22	Rubber tyres and tubes and other manufactures of rubber, not otherwise specified *excluding* apparel and boots and shoes.	39(1)	1,42,82,682	91,27,972
23	Furniture and cabinetware, not otherwise specified *excluding* mouldings.	40(2)	3,09,064	6,55,849
24	Furniture of wickerwork or bamboo . .	42	1,933	1,932
24a	Writing paper, all sorts	44	40,02,833	33,57,460

Serial No.	Name of article	Import Tariff Item No.	Value 1939-40	Value 1940-41
			Rs.	Rs.
	PART I—*contd.*			
24b	Printing paper, *excluding* poster and stereo and all coated papers, but *including* art paper, all sorts which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent of the fibre content.	44(1)	18,52,984	18,07,792
24c	(1) Printing paper, all sorts, not otherwise specified, which contain mechanical wood pulp amounting to not less than 70 per cent of the fibre content.	44(2)	79,19,134	94,81,560
	(2) Newsprints, all sorts, in reels	44(2)		
	(3) Newsprints, all sorts, in sheets	44(2)		
24d	Paper *including* poster and stereo and all coated papers except art paper, all sorts, not otherwise specified.	44(3)	1,13,96,853	1,02,74,697
24e	Pasteboard, millboard, cardboard and strawboard, all sorts.	44(4)	42,67,633	52,22,585
25	Stationery *including* drawing and copybooks, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, *including* cards in booklet forms.	45	Not available separately.	Not available separately.
26	Cotton, raw	46(3)	7,18,24,490	9,13,11,464
26a	Raw manila hemp (fibre)	46(4)	*7,42,714**	*23,48,991**
26b	Raw sisal (fibre)	46(5)		
27	Fabrics, not otherwise specified, containing more than 90 per cent of silk, *including* such fabrics embroidered with artificial silk.	48	40,00,210	41,67,268
28	Fabrics, not otherwise specified, containing more than 10 per cent and not more than 90 per cent silk.	48(4)	27,55,731	21,85,874
29	Mats and mattings, not otherwise specified	50(7)	3,91,089	2,04,440
30	Lace and embroidery	52	36,25,711†	24,22,933†
31	Apparel haberdashery, millinery and drapery not otherwise specified.	52		
32	Hats, caps, bonnets, and hatters' ware not otherwise specified.	53	5,87,200	4,19,948
33	Parasols and sunshades and fittings for umbrellas, parasols and sunshades.	56	15,59,724	18,22,021
34	Umbrellas	56(1)	36,685	14,901
35	Articles made of stone or marble	58	1,19,608	62,987
36	Tiles other than glass, earthenware or porcelain tiles.	59	Not available separately.	Not available separately.
37	Earthenware, all sorts, not otherwise specified	59(2)	10,72,293	7,27,918
38	China and porcelain, all sorts, not otherwise specified.	59(2)		
39	Earthenware, pipes and sanitaryware	59(3)	9,36,464	7,00,029
40	Tiles of earthenware and porcelain	59(4)	10,92,153	6,19,747
41	Domestic Earthenware, China and porcelain	59(5)	14,03,782	13,47,964
42	Sheet and plate glass	60	Please see Serial No. 106.	
43	Glass tableware	60		

* Figures relate to Hemp raw. † Approximate.

Serial No.	Name of article.	Import Tariff Item No.	Value 1939-40	Value 1940-41
			Rs.	Rs.
	PART I—*concld.*			
44	Glass bangles, glass beads and false pearls	60(3)	26,15,879	10,70,428
45	Pearls, unset	61	*19,33,304*	*13,56,887*
46	Precious stones, unset and imported cut	61(1)	57,18,616	8,97,954
47	Silver plate and silver manufactures, all sorts, not otherwise specified.	61(4)	1,53,289	43,598
48	Gold plate and gold manufactures, all sorts, not otherwise specified.	61(6)	5,764*	1,240*
49	Article, other than cutlery and surgical instruments, plated with gold or silver.	61(8)	1,63,424	1,51,987
50	Cutlery, plated with gold or silver	61(9)	22,771	23,661
51	Jewellery and jewel	61(10)	3,62,875	1,40,172
52	Enamelled ironware	63(29)	5,80,153	4,15,844
53	Domestic hardware and stores—			
	(1) made of aluminium	71	*8,61,726*	*5,56,801*
	(2) others			
54	Metal furniture and cabinetware	71(3)	2,79,181	3,22,744
55	Clocks and watches and parts thereof	78	34,09,551	23,16,630
56	Talking machines and parts thereof, and records for talking machines.	79	*8,39,318*	*4,79,735*
57	Ivory, manufactured, not otherwise specified	82(1)	7,076	7,524
58	Toys, games, playing cards and requisites for games and sports, bird shot, toy cannons, air guns and air pistols.	84	31,73,952†	19,07,884†
59	Buttons, metal	85	2,98,793	3,47,292
60	Smokers' requisites *excluding* tobacco and matches—			
	(1) made of aluminium	85(1)	1,48,349‡	78,320‡
	(2) others			
61	Buttons *other than* metal	87	*9,23,174*	*11,69,738*
	PART II.			
62	Bacon and Ham, not canned or bottled	2	7,91,214	7,66,336
63	Butter, Cheese and Ghee	4	17,42,016	15,60,278
64	Milk, condensed or preserved *including* milk cream.	4(1)	20,80,575	13,57,237
65	Vegetable, all sorts, fresh, dried, salted or preserved not otherwise specified.	7	5,47,788	25,679
66	Coffee, not otherwise specified	9	423	1,740
67	Coffee, canned or bottled	9(1)	68,571	86,100
68	Starch and Farina	11(4)	38,84 226	37,32,231
69	Rosin	13(4)	*2,35,021*	*2,47,345*

* Includes figures for gold leaf.

† Includes figures for bows and arrows if any.

‡ Figures relate to "Smokers' requisites excluding tobacco and matches". Separate figures for Serial Nos. 60(1) and 60(2) are not available.

Serial No.	Name of article	Import Tariff Item No.	Value 1939-40	Value 1940-41
			Rs.	Rs.
	PART II—*contd.*			
70	Lard, not canned or bottled	15(1)	1,544	14,775
71	Vegetable non-essential oils, not otherwise specified.	15(6)	9,59,310	12,73,976
72	Canned or bottled, bacon, ham and lard .	16	3,81,586	1,01,665
73	Fish, canned	16(1)	5,63,009	5,84,729
74	Isinglass, canned or bottled	16(2)	40,032	5,662
75	Cocoa and chocolate *other than* confectionery .	18	2,54,076	2,50,327
76	Biscuits, cakes, and farinaceous and patent foods, canned or bottled.	19	84,33,985	65,18,769
77	Vegetable products, canned or bottled .	20	*1,95,521*	*80,173*
78	Fruit juices	20(1)	6,30,752	4,39,870
79	Vegetables, canned or bottled . . .	20(2)	3,95,545*	3,95,531*
80	Canned or bottled provisions, not otherwise specified.	21	20,65,811	17,98,126
81	Provisions and oilman's stores and groceries, all sorts, not otherwise specified.	21(1)	14,94,415	12,98,194
82	All sorts of food, not otherwise specified . .	21(2)	52,115	32,717
83	All sorts of drink not otherwise specified .	22	3,03,913	1,64,685
84	Wines, all sorts	22(3)	12,33,055†	11,52,789†
85	Spirits (other than denatured spirit) . .	22(4)	88,81,397	81,64,149
86	Spirits *other than* those contained in drugs and medicines *excluding* proprietory and patent medicines.	22(5)	Not available	separately.
87	Vinegar in casks	22(7)	17,578	24,843
88	Cement, not otherwise specified . . .	25(4)	4,85,326	1,257
89	Portland cement *excluding* white portland cement.	25(5)	1,65,802	32,175
90	Paints, colours and painters' materials, all sorts, not otherwise specified, *including* paints, solutions and compositions containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934.	30	71,00,840	70,98,966
91	Paints, colours, and painters' materials, the following, namely, Red lead, white lead, zinc white and other sorts, coloured, genuine dry, genuine moist or reduced dry or moist.	30(2) and 30(3)	27,10,911	23,04,588
92	Paints, colours, and painters' materials, namely barytes, turpentine, turpentine substitute, and varnish not containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934.	30(4)	9,23,264	7,46,934
93	The following leather manufactures, namely saddlery, harness, trunks and bags.	37	1,05,858	1,02,567
94	Leather cloths *including* artificial leather, and other manufactures of leather not otherwise specified.	37(1)	9,55,302	9,16,772
95	Books, printed, *including* covers for printed books, maps, charts and plans, proofs, music manuscripts and illustration specifically made for binding in books, *excluding* educational books.	45(1)	*53,69,378*	*41,31,527*

*Approximate.

†Figures relate to Wines not containing more than 42 per cent of proof spirit, *i.e.*, tariff item 22(3).

Serial No.	Name of article.	Import Tariff Item No.	Value 1939-40	Value 1940-41
			Rs.	Rs.
	PART II—*concld.*			
96	Prints, Engravings and pictures (*including* photographs and picture postcards) on paper or cardboard.	45(2)	92,303	59,250
97	Oilcloth and floor cloth	50(5)	4,37,058	5,85,449
98	Glass and Glassware, not otherwise specified and lacquered ware.	60	72,44 857	71,95,587
99	Glass globes and chimneys for lamps and lanterns.	60(1)	1,81,399	38,923
100	Electric lighting bulbs	60(2)	27,22 346	21,54,583
101	Metal lamps and parts thereof . . .	71	*27,89,302*	*11,61,011*
102	Cutlery all sorts, not otherwise specified .	71(2)	20,21,693	19,05,255
103	Typewriters and parts thereof . .	72(6)	*20,55,021*	*21,34,979*
104	Sewing machines and parts thereof . .	72(6) and 72(10)	*71,41,154**	*49,10,864**
105	Fans, electric, table and ceiling and parts thereof.	73	*18,64,329*	*14,27,414*
106	Photographic instruments, apparatus and appliances *other than* cinema.	77	*31,47,154*	*22,43,172*
107	Brushes, all sorts	83	12,11,921	13,19,846
108	Prints, engravings and pictures (*including* photographs and picture postcards) not otherwise specified.	86	43,435	25,105
109	Leather, artificial manufactures of . .	87	Not available	separately.
110	Newspapers, old in bales and bags . . .	44(7)	38,39,451	65,29,498

*Figures include parts of knitting machines and accessories.

APPENDIX I.

Copy of Government of India, Department of Commerce, Notification No. 91-C.W. (6)/41, dated the 14th June 1941.

No. 91-C. W. (6)/41.—In exercise of the powers conferred by sub-rule (*3*) of Rule 84 of the Defence of India Rules, and in supersession of the notification of the Government of India in the Department of Commerce, No. 65-C. W. (9)/40, dated the 15th May 1940, the Central Government is pleased to prohibit the export to any place outside India of any goods of the description specified in the Schedule hereto annexed, except the following, namely :—

(*a*) any goods consigned to or destined for the Portuguese possessions in India and intended for use or consumption therein ;

(*b*) any goods consigned by land to any other country contiguous to the land frontier of India, if the goods are consigned under any of the procedures prescribed for regulating transit traffic to such countries through India from foreign countries overseas ;

(*c*) any goods of the description specified in Part E of the said Schedule and consigned to or destined for any part of the British Empire (including Mandated Territories) other than Eire and Palestine ;

(*d*) any goods of the description specified in Part C of the said Schedule and covered by an export licence issued by the Central Government in the Department of Supply or by an officer authorised by that Department in this behalf ;

(*e*) any goods of the description specified in Part B, D or E of the said Schedule and covered by an export licence issued by or under the orders of the Export Trade Controller appointed in this behalf by the Central Government ;

(*f*) any goods constituting the stores or equipment of an outgoing vessel or conveyance, or the *bonâ-fide* personal effects of the crew of, or of the passengers in, such vessel or conveyance ;

(*g*) any goods transhipped at a port in British India ;

(*h*) any goods exported under the orders of Naval, Military or Air Force Authorities for Naval, Military or Air Force requirements ;

(*i*) any goods exported under the orders of the Central Government or such officers as may be appointed by the Central Government in this behalf ;

(*j*) any goods covered by an Open General Licence issued by the Central Government.

SCHEDULE.

PART A.

(*No Licences.*)

1. Arms, Ammunition and Military stores (including explosives and fulminate of mercury).

2. Chemicals and chemical preparations, the following :—

(*i*) Chrome alum.

(*ii*) Potassium bichromate.

(*iii*) Sodium bichromate.

(*iv*) Ammonium sulphate.

3. Drugs and medicines, the following :—

Acid Cresylic, Acriflavina, Aether anæstheticus, Arsenious oxide, Atropinæ Sulphas, Barbitonum Solubile, Brilliant Green, Chlorofomum, Cocainæ Hydrochloridum, Emetinæ Hydrochloridum, Ergota præparata and preparations, Hexobarbitonum Solubile, Homatropinæ Hydrobromidum, Hyoscinæ Hydrobromidum, Mepacrine Hydrochloride, Pamaquin, Paraldehydum, Pentothol Sodium, Percaine, Potassii Bromidum, Potassii Iodidum, Procainæ Hydrochloridum, Sulphonamide preparations (*e.g.*, Sulphanilamide, Soluseptasine M. & B. 693, etc),

4. Any medicinal preparation containing any one or more of the drugs or medicines specified in item 3 of this Part whether in bulk or in any other form, such as tablets, ampoules, solutions, ointments, etc., including all proprietary brands and Trade Mark preparations and equivalents of them intended for oral, hypodermic, intravenous or external use.

5. Horses and mules.

6. Instruments, Apparatus and Appliances, and parts thereof, the following :—

(*i*) Clinical thermometers.

(*ii*) Optical glass, formed and unformed.

(*iii*) Surveying instruments and appliances.

(*iv*) Telescopes and binoculars.

7. Kiree or Lac refuse.

8. Metals and Ores, the following :—

Antimony.

9. Textiles, the following :—

(*i*) Flax, raw.

(*ii*) Flax manufactures.

PART B.

(*Licences issued by the Export Trade Controller.*)

1. Bakelite and other synthetic moulding powders.

2. Chemicals and chemical preparations the following :—

(*i*) Ammonium compounds excluding ammonia and ammonium sulphate.

(*ii*) Bleaching powder and cholorine.

(*iii*) Potassuim carbonate.

(*iv*) Sulphur.

3. Chemical manures except ammonium sulphate.

4. Drugs, medicines and medicinal preparations, including camphor, other than those specified in Parts A and C.

5. Glass bottles of crown cork pattern.

6. Instruments, Apparatus and Appliances, and parts thereof, the following :—

(*i*) Optical instruments (other than optical glass, formed and unformed, surveying instruments and appliances, telescopes and binoculars).

(*ii*) Photographic papers, plate and films (excluding those used in X-ray photography and excluding cinema films).

7. Provisions, canned and bottled.

PART C.

(*Licenses issued by the Central Government in the Department of Supply or by an officer authorised by that Department in this behalf.*)

1. Abrasives, manufactured, including grinding wheels.

2. Belting for Machinery—

(*i*) of cotton ;

(*ii*) of hair ;

(*iii*) of leather.

3. Carbonised coconut shell.

4. Chemicals and chemical preparations, the following :—

(*i*) Acetone.

(*ii*) Acid Acetic.

(*iii*) Acid Formic.

(*iv*) Acid Hydrochloric.

(*v*) Acid Nitric.

(*vi*) Acid Sulphuric.

(*vii*) Alcohol Methyl.

(*viii*) Aluminium Oxide.

(*ix*) Aluminous sulphates (including all forms of alum except chrome alum).

(*x*) Ammonia.

(*xi*) Aniline and alkylated aniline.

(*xii*) Barium Sulphates (Barytes).

(*xiii*) Calcium acetate (acetate of lime).

(*xiv*) Calcium carbide.

(*xv*) Caustic potash.

(*xvi*) Chlorinated hydrocarbons including carbon tetra-chloride

(*xvii*) Copper sulphate.

(*xviii*) Glycerine.

(*xix*) Lead acetate.

(*xx*) Magnesium sulphate.

(*xxi*) Naphthalene.

(*xxii*) Phosphorus.

(*xxiii*) Sodium hydrosulphite.

(*xxiv*) Sodium nitrite.

(*xxv*) Tetra-ethyl-lead.

(*xxvi*) Toluol (toluene).

(*xxvii*) Zinc oxide and other zinc compounds.

5. Drugs and medicines, the following :—

Acidum Acetylsalicylicum, Acidum Boricum, Acidum Citricum, Acidum Mandelicum, Acidum Salicylicum, Acidum Tannicum, Acidum Tartaricum, Adrenalina and preparations, Aethylis Chloridum, Amylis Nitris, Amylocaine Hydrochloride, Antrypol, Naganol, Argentoproteinum, Balladonna roots, Benzoinum, Bismuthi Carbonas, Borax, Caffeina, Calcii Gluconas, Camphora, Chloral Hydras, Chrysarobinum, Cinchona, Cresotum Dextrosum, Fluoresceinum, Glucosum Liquidum, Hexamina, Insulinum, Iodum and preparations, Ipecacuanha and preparations, Liquor Formaldehydi, Menthol, Morphine salts, Neoarsphenamina, Oleum Menthæ Piperitæ, Phenacetinum, Phenobarbitonum Solubile, Phenol, Physostigminæ Salicylas, Pituitary Extract, Resorcinol, Quinine salts, Sodii Bicarbonas, Sodii Salicylas, Sulpharsphenamina, Thymol.

6. Any medicinal preparation containing any one or more of the durgs or medicines specified in item 5 of this Part whether in bulk or in any other form, such as tablets, ampoules, solutions, ointments, etc., including all proprietary brands and Trade Mark preparations and equivalents of them intended for oral, hypodermic, intravenous or external use.

7. Sera.

8. Dyestuffs, the following :—

(*i*) Synthetic dyestuffs, including coal tar derivatives used in any dyeing process.

(*ii*) Natural indigo.

9. Graphite and graphite crucibles.

10. Hydraulic packing.

11. Instruments, Apparatus and Appliances, and parts thereof, the following :—

(*i*) Electric fans and accessories.

(*ii*) Electric wires and cables (including telegraph and telephone wires) and accessories.

(*iii*) Telegraph and telephone instruments and apparatus.

(*iv*) Electrical insulating materials of all sorts.

(*v*) Accumulators and dry cells.

(*vi*) Electric lamps.

(*vii*) Electric lighting accessories and fittings

(*viii*) Photographic Plates and films used in X-ray photography.

(*ix*) Surgical and veterinary instruments, apparatus and appliances, including cotton wool and lint.

(*x*) Wireless instruments and parts thereof.

12. Machinery and millwork, including parts thereof, and leather manufactures which are component parts of power-operated machinery, but excluding :—

(*i*) machine tools of any description, and

(*ii*) parts of machinery and millwork and leather manufactures which are component parts of power-operated machinery which—

(*a*) if of foreign manufacture, are exported for purposes of repairs or are being returned to the manufacturers as defective, or

(*b*) if of Indian manufacture, are supplied to any country in the British Empire.

13. Machine Tools of all descriptions and parts thereof.

14. Manila rope.

15. Metals and Ores, the following :—

(*i*) Aluminium and aluminium alloys and manufactures thereof.

(*ii*) Antimony alloys containing more than 10 per cent of antimony including printing alloys.

(*iii*) Copper ores ; copper wrought and unwrought ; copper plates and sheets ; copper wire, drawn ; copper scrap ; copper manufactures and alloys.

(*iv*) Ferro-chrome ; ferro-manganese ; ferro-phosphorus ; ferro-silicon ; ferro-titanium ; ferro-tungsten ; and ferro-vanadium.

(*v*) Gun metal ; gun metal manufactures ; gun metal scrap and borings.

(*vi*) Iridium, osmiridium, iridosmine and concentrates containing iridium.

(*vii*) Iron or steel :—

(*a*) Pig iron.

(*b*) High Speed Tool Steel in any form.

(*c*) Die Steel of any form.

(*d*) Other Steel ingots, blooms, billets and slabs.

(*e*) Manufactures, including scrap for re-manufacture.

(*f*) Tin plate and tin plate scrap.

(*viii*) Lead sheets, lead pipes and tubes ; lead scrap ; pig lead and lead ore.

(*ix*) Magnesium and magnesium alloys.

(*x*) Mercury (quicksilver) and its compounds.

(*xi*) Molybdenum ; ferro molybdenum ; molybdenum ores and compounds.

(*xii*) Nickel ; nickel oxide, nickel ore and matte, nickel alloys in their various forms.

(*xiii*) Phosphor alloys.

(*xiv*) Platinum, crude and refined ; platinum alloys and compounds.

(*xv*) Radium, radium ores and concentrates ; radium compounds.

(*xvi*) Tin, wrought and unwrought.

(*xvii*) Vanadium and Vanadium ores.

(*xviii*) White metal, white metal manufactures, white metal scrap, white metal borings and white metal ash and dross.

(*xix*) Zinc or spelter, unwrought and wrought, zinc concentrates and zinc scrap.

16. Textiles, the following :—

Cotton mosquito netting.

17. Vehicles (excluding old scrap parts), the following :—

(*i*) Aircraft and parts of aircrafts.

(*ii*) Motor cars, motor cycles and motor omnibuses, vans and lorries and parts thereof (excluding rubber tyres and tubes).

18. Wood preservatives, the following :—

(*i*) Coal tar.

(*ii*) Creosote.

(*iii*) Mixtures containing coal tar or creosote.

19. Wood and timber, the following :—

Coniferous timber namely, Pinus longifolia (Chir), Pinus excelsa (Kail), Picea morinda (Spruce), Abies Pindrow (Fir), and Cedrus deodara (Deodar) ; also chests, boxes, crates and other containers made therefrom when exported empty, and parts thereof including shocks.

PART D.

(Licences issued by the Export Trade Controller.)

1. Chemicals and chemical preparations, the following :—
   Potassium chlorate.
2. Diamonds.
3. Metals and ores, the following :—
   (*i*) Beryl (Beryllium), ore, metal and alloys.
   (*ii*) Tungsten and Tungsten ore (Wolfram).
4. Mica.
5. Paper and pasteboard, all sorts.
6. Pulp of wood for paper-making.
7. Quartz Crystals.
8. Tea packed in aluminium foil or aluminium lined tea chests.
9. Wool, raw.

PART E.

(Licences issued by the Export Trade Controller.)

1. Animal bladders, guts and casings.
2. Asbestos and manufactures thereof.
3. Candles of all kinds.
4. Chemicals and chemical preparations, the following :—
   (*i*) Arsenic salts.
   (*ii*) Iodine.
   (*iii*) Sodium compounds, the following :—
      (*a*) Sodium carbonate.
      (*b*) Sodium bicarbonate.
      (*c*) Caustic soda.
5. Coal.
6. Coffee.
7. Coir, unmanufactured and manufactured.
8. Fibres for brushes and brooms.
9. Fruits, nuts and vegetables (including dried, salted or preserved, not being canned or bottled).
10. Grain, pulse and flour.
11. Gums and resins, all sorts.
12. Hair of all kinds and manufactures of hair.
13. Hides and skins, raw, all sorts.
14. Hides and skins, tanned or dressed, all sorts.
15. Lac, all sorts excluding Kiree or Lac refuse.
16. Magnesite.
17. Metals and Ores, the following :—
   (*i*) Antimony ore.
   (*ii*) Aluminium ore (Bauxite and Laterite).
   (*iii*) Arsenic, ore and metal.
   (*iv*) Cadmium.
   (*v*) Chrome ore and metal.
   (*vi*) Cobalt ore.
   (*vii*) Ferro alloys other than those specified in Part C.
   (*viii*) Ilmenite, Monazite, Rutile, Zircon, Kyanite and Sillimanite.
   (*ix*) Iron ore.
   (*x*) Iron pyrites.

(*xi*) Manganese ore and Manganese.

(*xii*) Nickel manufactures.

(*xiii*) Silver ore, metal, alloys and manufactures.

(*xiv*) Titanium metal.

(*xv*) Uranium.

(*xvi*) Zinc ore.

18. Myrobalans and other tanning substances.

19. Oilcakes, all sorts.

20. Oils, animal, all sorts.

21. Oils, mineral, all sorts (including crude oil, kerosene, fuel oils, lubricating oils, greases, petrol, benzine and benzol).

22. Oils, vegetable, non-essential, all sorts.

23. Paints and colours, all sorts.

24. Rubber, scrap and waste.

25. Rubber, raw.

26. Rubber manufactures, all sorts.

27. Scrap cinematograph films.

28. Seeds, the following :—

(*i*) Seeds, oilseeds, non-essential, all sorts.

(*ii*) Seeds, other than oilseeds.

29. Spices.

30. Starch, dextrine and farina.

31. Sugar including molasses.

32. Talc.

33. Tallow and stearine, all sorts.

34. Tea, excluding tea packed in aluminium foil or aluminium lined tea chests.

35. Textiles, the following :—

(*i*) Artificial silk yarn and manufactures, including mixtures with other textile or staple fibre.

(*ii*) Cotton manufactures, all sorts not specified in Part C.

(*iii*) Cotton, raw and waste.

(*iv*) Hemp manufactures other than manila rope.

(*v*) Hemp, raw.

(*vi*) Jute, manufactures.

(*vii*) Jute, raw.

(*viii*) Kapok.

(*ix*) Mesta-fibre.

(*x*) Ramie fibre and piecegoods made therefrom.

(*xi*) Silk, raw cocoons, waste products (including Duppion) and hand-reeled.

(*xii*) Silk yarn and manufactures, all sorts.

(*xiii*) Wool manufactures.

36. Turpentine and pine oil.

37. Wax of all kinds, including paraffin wax.

APPENDIX II.

Copy of Government of India, Department of Commerce, Notification No. 1-I.T.C./40, dated the 20th May, 1940, as amended by subsequent notifications up to the 30th June 1941.

No. 1-I.T.C./40.—In exercise of the powers conferred by rule 84 of the Defence of India Rules, the Central Government is pleased to prohibit the bringing into British India by sea, land or air from any place outside India of any goods of the description specified in the Schedule hereto annexed, except the following, namely :—

(*i*) any goods imported by the Central Government for defence purposes ;
(*ii*) any goods imported for transhipment to, or in bond for re-export to, any country outside India ;
(*iii*) any goods imported as passenger's baggage or by post for *bonâ fide* private use and not for sale ;
(*iv*) any goods covered by an open general licence issued by the Central Government ;
(*v*) any goods covered by a special licence issued by the Import Trade Controller on application made before despatch on through consignment to India.

Provided that nothing in these exceptions shall prejudice the application to any goods of any other prohibition or regulation affecting the import of goods that may be in force at the time when such goods are imported.

SCHEDULE.

(*N.B.*—Each entry in column 2 has the same meaning as in the Import Tariff item specified against it in column 3, being the item which applies, wholly or in part, to the entry in column 2.)

Serial No.	Name of article.	Import Tariff Item No.
	PART I.	
1	Ivory, unmanufactured	5(2)
2	Fruits, all sorts, fresh, dried, salted or preserved, not otherwise specified	8
2A	Cloves, all sorts, whether ground or un ground	9(3)
2B	Chromosal S. F., chromaline and other chrome compounds used for dyeing or tanning (excluding barium, lead and zinc chromates)	13
3	Sugar excluding confectionery	17
4	Confectionery	17(2)
5	Sugar-candy	17(3)
6	Jams, jellies, pickles, chutnies, sauces and condiments, canned or bottled	20
7	Fruits, canned or bottled	20(2)
8	Ale, beer, porter, cider and other fermented liquors	22(2)
8A	Proprietary and patent medicines containing spirit	22(5)(*b*)
9	Tobacco, manufactured, not otherwise specified	24
10	Cigars	24(1)
11	Cigarettes	24(2)
12	Marble and stone not otherwise specified	25(7)
13	Proprietary and Patent Medicines	28
13A	Chromium sulphate, chromium chloride and other chrome compounds not included in Serial Nos. 2B and 13B but excluding barium chromates	28
13B	Potassium bichromate, sodium bichromate and chromic acid	28(8)
14	Toilet Requisites not otherwise specified	28(14)
15	Cinematograph films, exposed	29(1)
15A	Aluminium powder and paint	30
15B	Dyes derived from coal-tar and coal-tar derivatives, used in any dyeing process	30(1)

Serial No.	Name of article.	Import Tariff Item No.
	PART I—*contd.*	
16	Lead pencils	30(7)
17	Soap, not otherwise specified	32
18	Soap, toilet	32(1)
19	Soap, household and laundry	32(2)
20	Skins (other than Fur Skins), tanned or dressed, and unwrought leather	36(2)
21	Fur skins, dressed	38
22	Rubber tyres and tubes and other manufactures of rubber, not otherwise specified, excluding apparel and boots and shoes	39(1)
22A	Aluminium tea chest linings	40(3)
23	Furniture and Cabinetware, not otherwise specified, excluding mouldings	40(2)
24	Furniture of wickerwork or bamboo	42
24A	Writing paper, all sorts	44
24B	Printing paper, excluding poster and stereo and all coated papers, but including art paper, all sorts, which contain no mechanical wood pulp or in which the mechanical wood pulp amounts to less than 70 per cent. of the fibre content	44(1)
24C	(*i*) Printing paper, all sorts, not otherwise specified which contain mechanical wood pulp amounting to not less than 70 per cent. of the fibre content, excluding newsprint, all sorts	44(2)
	(*ii*) Newsprint, all sorts, in reels	44(2)
	(*iii*) Newsprint, all sorts, in sheets	44(2)
24D	Paper, including poster and stereo and all coated papers except art paper, all sorts, not otherwise specified	44(3)
24E	Pasteboard, millboard, cardboard and strawboard, all sorts	44(4)
25	Stationery including drawing and copy books, labels, advertising circulars, sheet or card almanacs and calendars, Christmas, Easter and other cards, including cards in booklet forms	45
26	Cotton, raw	46(3)
26A	Raw Manila Hemp (fibre)	46(4)
26B	Raw Sisal (fibre)	46(5)
27	Fabrics, not otherwise specified, containing more than 90 per cent. of silk, including such fabrics embroidered with artificial silk	48
28	Fabrics, not otherwise specified, containing more than 10 per cent and not more than 90 per cent. silk	48(4)
29	Mats and mattings, not otherwise specified	50(7)
30	Lace and embroidery	52
31	Apparel, Haberdashery, Millinery and Drapery, not otherwise specified	52
32	Hats, caps, bonnets and hatters' ware, not otherwise specified	55
33	Parasols and Sunshades and fittings for umbrellas, parasols and sunshades	56
34	Umbrellas	56(1)
35	Articles made of Stone or Marble	58
36	Tiles other than glass, earthenware or porcelain tiles	59
37	Earthenware, all sorts, not otherwise specified	59(2)
38	China and porcelain, all sorts, not otherwise specified	59(2)
39	Earthenware, pipes and sanitaryware	59(3)
40	Tiles of earthenware and porcelain	59(4)
41	Domestic earthenware, China, and porcelain	59(5)
42	Sheet and plate glass	60
43	Glass tableware	60
44	Glass bangles, glass beads and false pearls	60(3)
45	Pearls, unset	61

Serial No.	Name of article.	Import Tariff Item No.
	PART I—*concld*	
46	Precious stones, unset and imported cut	61(1)
47	Silverplate and silver manufactures, all sorts, not otherwise specified	61(4)
48	Gold plate, and gold manufactures, all sorts, not otherwise specified	61(6)
49	Articles, other than cutlery and surgical instruments, plated with gold or silver	61(8)
50	Cutlery, plated with gold or silver	61(9)
51	Jewellery and Jewels	61(10)
52	Enamelled ironware	63(29)
52A	Aluminium-circles, sheets and other manufactures, not otherwise specified	66
52B	Unwrought ingots, blocks and bars of aluminium	66(1)
53	Domestic hardware and stoves — (*i*) Made of aluminium (*ii*) Others	71
54	Metal furniture and cabinetware	71(3)
55	Wireless reception instruments and apparatus and component parts thereof, including all electric valves, amplifiers and loud speakers which are not specially designed for purposes other than wireless reception or are not original parts of and imported along with instruments or apparatus so designed	73(4)
56	Motor vans and motor lorries imported complete	75
57	Motor cars including taxi cabs and articles (other than rubber tyres and tubes) adapted for use as parts and accessories thereof	75(1)
58	Motor omnibuses; chassis of motor omnibuses, motor vans and motor lorries, and parts of mechanically propelled vehicles and accessories, not otherwise specified, excluding rubber tyres and tubes and such parts and accessories of motor vehicles included in this item as are also adapted for use as parts and accessories of motor cars	75(3)
59	Cycles (other than motor cycles) imported entire or in sections, and parts and accessories thereof, excluding rubber tyres and tubes	75(5)
60	Clocks and watches and parts thereof	78
61	Talking machines and parts thereof and records for talking machines	79
62	The following articles, except as specified in Import Tariff item No. 80(3), namely : (*i*) Firearms, including gas and air guns, gas and air rifles and gas and air pistols, not otherwise specified but including parts and accessories thereof (*ii*) (*a*) Barrels, whether single or double, to firearms, including gas and air guns, gas and air rifles, and gas and air pistols, not otherwise specified (*b*) Main springs and magazine springs for firearms including gas guns, gas rifles and gas pistols. (*c*) Gun stocks and breech blocks (*d*) Revolver cylinders, for each cartridge they will carry (*e*) Actions (including skeleton and waster), breech bolts and their heads, cocking pieces, and locks for muzzle loading arms. (*f*) Machines for making, loading, or closing cartridges for rifled arms. (*g*) Machines for capping cartridges for rifled arms	80(1) 80(2)
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64	Ivory, manufactured, not otherwise specified	82(1)
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67	Smokers' requisites excluding tobacco and matches — (*i*) Made of aluminium. (*ii*) Others	85(1)
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Serial No.	Name of article.	Import Tariff Item No.
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69	Bacon and Ham, not canned or bottled	2
70	Butter, Cheese and Ghee	4
71	Milk, condensed or preserved, including milk cream	4(1)
72	Vegetable, all sorts, fresh, dried, salted or preserved, not otherwise specified	7
73	Coffee, not otherwise specified	9
74	Coffee, canned or bottled	9(1)
75	Starch and farina	11(4)
76	Rosin	13(4)
77	Lard, not canned or bottled	15(1)
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81	Isinglass, canned or bottled	16(2)
82	Cocoa and chocolate other than confectionery	18
83	Biscuits, cakes, and farinaceous and patent foods, canned or bottled	19
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85	Fruit juices	20(1)
86	Vegetables, canned or bottled	20(2)
87	Canned or bottled provisions, not otherwise specified	21
88	Provisions and Oilman's Stores and Groceries, all sorts, not otherwise specified	21(1)
89	All sorts of food, not otherwise specified	21(2)
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91	Wines, all sorts	22(3)
92	Spirits (other than denatured spirit)	22(4)
93	Spirits other than those contained in drugs and medicines excluding proprietary and patent medicines	22(5)
94	Vinegars in casks	22(7)
95	Cement, not otherwise specified	25(4)
96	Portland cement excluding white Portland cement	25(5)
97	Mineral Oil, not included in Import Tariff Item No. 27 (4) or Item No. 27 (6), which is suitable for use as an illuminant in wick lamps	27(5)
98	Paints, colours and painters' materials, all sorts, not otherwise specified, including paints, solutions and compositions containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934	30
99	Paints, colours and painters' materials, the following, namely, Red lead, white lead, zinc white and other sorts, coloured, genuine dry, genuine moist or reduced dry or moist	30(2) and 30(3)
100	Paints, colours and painters' materials, namely, barytes, turpentine, turpentine substitute, and varnish not containing dangerous petroleum within the meaning of the Indian Petroleum Act, 1934	30 (4)
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103	Books, printed, including covers for printed books, maps, charts and plans, proofs, music manuscripts and illustrations specifically made for binding in books, *excluding educational books*	45 (1)
104	Prints, Engravings and Pictures (including photographs and picture post cards) on paper or cardboard	45 (2)

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